## 1

#### Pharma innovation high now—monetary incentive is the biggest factor.

**Swagel 21** Phillip L. Swagel, Director of the Congressional budget office 4-xx-2021, "Research and Development in the Pharmaceutical Industry," Congressional Budget Office, <https://www.cbo.goc/publication/57126#_idTextAnchor020> SJ//DA

**Every year, the U.S. pharmaceutical industry develops a variety of new drugs that provide valuable medical benefits. Many of those drugs are expensive and contribute to rising health care costs for the private sector and the federal government. Policymakers have considered policies that would lower drug prices and reduce federal drug expenditures. Such policies would probably reduce the industry’s incentive to develop new drugs.** In this report, the Congressional Budget Office assesses trends in spending for drug research and development (R&D) and the introduction of new drugs. CBO also examines factors that determine how much drug companies spend on R&D: expected global revenues from a new drug; cost to develop a new drug; and federal policies that affect the demand for drug therapies, the supply of new drugs, or both. What Are Recent Trends in Pharmaceutical R&D and New Drug Approvals? T**he pharmaceutical industry devoted $83 billion to R&D expenditures in 2019. Those expenditures covered a variety of activities, including discovering and testing new drugs, developing incremental innovations such as product extensions, and clinical testing for safety-monitoring or marketing purposes. That amount is about 10 times what the industry spent per year in the 1980s, after adjusting for the effects of inflation.** The share of revenues that drug companies devote to R&D has also grown: **On average, pharmaceutical companies spent about one-quarter of their revenues (net of expenses and buyer rebates) on R&D expenses** in 2019, which is **almost twice as large a share of revenues as they spent in 2000.** That revenue share is larger than that for other knowledge-based industries, such as semiconductors, technology hardware, and software. The number of new drugs approved each year has also grown over the past decade. On averace, the Food and Drug Administration (FDA) approved 38 new drugs per year from 2010 through 2019 (with a peak of 59 in 2018), which is 60 percent more than the yearly average over the previous decade. **Many of the drugs that have been approved in recent years are “specialty drugs.” Specialty drugs generally treat chronic, complex, or rare conditions, and they may also require special handling or monitoring of patients**. Many specialty drugs are biologics (large-molecule drugs based on living cell lines), **which are costly to develop, hard to imitate, and frequently have high prices.** Previously, most drugs were small-molecule drugs based on chemical compounds. Even while they were under patent, those drugs had lower prices than recent specialty drugs have. Information about the kinds of drugs in current clinical trials indicates that much of the industry’s innovative activity is focused on specialty drugs that would provide new cancer therapies and treatments for nervous-system disorders, such as Alzheimer’s disease and Parkinson’s disease. **What Factors Influence Spending for R&D?** Drug companies’ R&D spending decisions depend on three main factors: Anticipated lifetime global revenues from a new drug, **Expected costs to develop a new drug**, and Policies and programs that influence the supply of and demand for prescription drugs. Various considerations inform companies’ expectations about a drug’s revenue stream, including the anticipated prices it could command in different markets around the world and the expected global sales volume at those prices (given the number of people who might use the drug). The prices and sales volumes of existing drugs provide information about consumers’ and insurance plans’ willingness to pay for drug treatments. Importantly, when drug companies set the prices of a new drug, they do so to maximize future revenues net of manufacturing and distribution costs. A drug’s sunk R&D costs—that is, the costs already incurred in developing that drug—do not influence its price. **Developing new drugs is a costly and uncertain process, and many potential drugs never make it to market. Only about 12 percent of drugs entering clinical trials are ultimately approved for introduction by the FDA. In recent studies, estimates of the average R&D cost per new drug range from less than $1 billion to more than $2 billion per drug**. Those estimates include the costs of both laboratory research and clinical trials of successful new drugs as well as expenditures on drugs that do not make it past the laboratory-development stage, that enter clinical trials but fail in those trials or are withdrawn by the drugmaker for business reasons, or that are not approved by the FDA. Those estimates also include the company’s capital costs—the value of other forgone investments—incurred during the R&D process. Such costs can make up a substantial share of the average total cost of developing a new drug. The development process often takes a decade or more, and during that time the company does not receive a financial return on its investment in developing that drug. The federal government affects R&D decisions in three ways. First, it increases demand for prescription drugs, which encourages new drug development, by fully or partially subsidizing the purchase of prescription drugs through a variety of federal programs (including Medicare and Medicaid) and by providing tax preferences for employment-based health insurance. Second, the federal government increases the supply of new drugs. It funds basic biomedical research that provides a scientific foundation for the development of new drugs by private industry. Additionally, tax credits—both those available to all types of companies and those available to drug companies for developing treatmentscof uncommon diseases—provide incentives to invest in R&D. Similarly, deductions for R&D investment can be used to reduce tax liabilities immediately rather than over the life of that investment. Finally, the patent system and certain statutory provisions that delay FDA approval of generic drugs provide pharmaceutical companies with a period of market exclusivity, when competition is legally restricted. During that time, they can maintain higher prices on a patented product than they otherwise could, which makes new drugs more profitable and thereby increases drug companies’ incentives to invest in R&D. Third, some federal policies affect the number of new drugs by influencing both demand and supply. For example, federal recommendations for specific vaccines increase the demand for those vaccines and provide an incentive for drug companies to develop new ones. Additionally, federal regulatory policies that influence returns on drug R&D can bring about increases or decreases in both the supply of and demand for new drugs. Trends in R&D Spending and New Drug Development Private spending on pharmaceutical R&D and the approval of new drugs have both increased markedly in recent years, resuming a decades-long trend that was interrupted in 2008 as generic versions of some top-selling drugs became available and as the 2007–2009 recession occurred. **In particular, spending on drug R&D increased by nearly 50 percent between 2015 and 2019.** Many of the drugs approved in recent years are high-priced specialty drugs for relatively small numbers of potential patients. By contrast, the top-selling drugs of the 1990s were lower-cost drugs with large patient populations. R&D Spending R&D spending in the pharmaceutical industry covers a variety of activities, including the following: Invention, or research and discovery of new drugs; Development, or clinical testing, preparation and submission of applications for FDA approval, and design of production processes for new drugs; Incremental innovation, including the development of new dosages and delivery mechanisms for existing drugs and the testing of those drugs for additional indications; Product differentiation, or the clinical testing of a new drug against an existing rival drug to show that the new drug is superior; and Safety monitoring, or clinical trials (conducted after a drug has reached the market) that the FDA may require to detect side effects that may not have been observed in shorter trials when the drug was in development. In real terms**, private investment in drug R&D among member firms of the Pharmaceutical Research and Manufacturers of America (PhRMA), an industry trade association, was about $83 billion in 2019, up from about $5 billion in 1980 and $38 billion in 2000**.1 Although those spending totals do not include spending by many smaller drug companies that do not belong to PhRMA, the trend is broadly representative of R&D spending by the industry as a whole.2 A survey of all U.S. pharmaceutical R&D spending (including that of smaller firms) by the National Science Foundation (NSF) reveals similar trends.3 Although total R&D spending by all drug companies has trended upward, small and large firms generally focus on different R&D activities. **Small companies not in PhRMA devote a greater share of their research to developing and testing new drugs,** many of which are ultimately sold to larger firms (see Box 1). By contrast, a greater portion of the R&D spending of larger drug companies (including those in PhRMA) is devoted to conducting clinical trials, developing incremental “line extension” improvements (such as new dosages or delivery systems, or new combinations of two or more existing drugs), and conducting postapproval testing for safety-monitoring or marketing purposes.

#### A waiver kills innovation which kills ability to answer new variants – turns case

**Value Ingenuity 20** [Value Ingenuity, (The Value Ingenuity project is telling the story of innovation, its roots, its impact, its social and moral imperatives, and the public policy prescriptions that will assure a continued upward trajectory for the generations to follow. Our objective is to advance globally a shared purpose of mutual investment in sustainable innovation.)]. "WTO IP Waiver Would Undermine Covid Innovation." 10-2-2020, Accessed 8-5-2021. https://www.valueingenuity.com/2021/05/18/wto-ip-waiver-would-undermine-covid-innovation/ // duongie

A TRIPS waiver for vaccines would do nothing to help — and could in fact hurt — the effort to produce billions of vaccine doses and get them in arms. Supply of these high-tech products is ramping up quickly, with about 10 billion doses projected to be produced by the end of 2021 — we shouldn’t distract attention away from that all-important goal. IP is not a barrier to vaccine access. It already enabled the creation of three vaccines, in record-breaking time, that have received FDA authorization. IP is also safely facilitating international partnerships (275+ to date) to share technology and information more easily with trusted partners across borders. An IP waiver could lead to untested and unregulated copycats. Some nations are looking to manufacture sophisticated vaccines without permission, exacerbating the shortage of the critical materials (raw materials, tubing, vials etc.) and increasing vaccine hesitancy due to the development of unsafe products and medicines. The proposal jeopardizes U.S. manufacturing & jobs. Allowing other countries to take and commercialize American-made technologies conflicts with President Biden’s goal to build up American infrastructure and create manufacturing jobs. In the U.S. alone, biopharmaceutical companies support 4 million jobs across all 50 states, with many more across innovation ecosystems in labs, finance, and SMEs. Waiving IP undermines America’s leadership in the life sciences. We should not be forfeiting IP to countries looking to undermine America’s global leadership in biomedical technology and innovation. IP protections enabled decades of R&D by biopharmaceutical research companies, allowing them to move quickly and effectively against COVID-19. Business welcomes the Biden Administration’s support for the global vaccine program, COVAX. This type of program can have a significant positive, practical impact on global rollout of vaccines and therapies without disrupting the incredible IP-enabled progress that has been made to date to defeat the pandemic. Its effects will be even more effective as trade barriers are removed and all countries allow vaccines to be exported internationally. GOOD TO KNOW: Today 57% of all new medicines globally come from the United States with its world-class IP ecosystem, and private companies in the life sciences community make up more than 80% of the investment in the research and development of those new drugs. The U.S. biopharmaceutical industry directly and indirectly supports over 4 million American jobs. SCIENTISTS, ACADEMICS, ADVOCATES AND POLITICAL LEADERS SKEPTICAL OF WAIVING IP RIGHTS “The goal is noble, but the demand [for an IP waiver] is more slogan than solution … patents on vaccines are not the central bottleneck, and even if turned over to other nations, would not quickly result in more shots. This is because vaccine manufacturing is exacting and time-consuming. Look at the production difficulties encountered by Emergent BioSolutions, a vaccine manufacturer in Baltimore, where 15 million doses were contaminated. That was caught before the shots were distributed, but one can imagine the horrific consequences of a failure to maintain quality control elsewhere in the world.” WASHINGTON POST EDITORIAL BOARD, May 4, 2021 “The goal is noble, but the demand [for an IP waiver] is more slogan than solution … patents on vaccines are not the central bottleneck, and even if turned over to other nations, would not quickly result in more shots. This is because vaccine manufacturing is exacting and time-consuming. Look at the production difficulties encountered by Emergent BioSolutions, a vaccine manufacturer in Baltimore, where 15 million doses were contaminated. That was caught before the shots were distributed, but one can imagine the horrific consequences of a failure to maintain quality control elsewhere in the world.” WALL STREET JOURNAL EDITORIAL BOARD, May 6, 2021 “The U.S. decision to support a temporary waiver of intellectual-property protections for Covid-19 vaccines won’t end debate on the issue, much less end the pandemic. Reaching a formal agreement could take months and even then may not accelerate vaccine production; opposition from countries such as Germany could yet doom any compromise.” BLOOMBERG EDITORIAL BOARD, May 12, 2021 “The collaboration that’s happened in the midst of this pandemic I think points to the ways in which IP has actually not been a barrier, but a facilitator of critical, cutting-edge innovation […] I don’t think that waiving IP rights will suddenly enable other countries to ramp up the manufacturing of complex vaccines.” SEN. CHRIS COONS (D-DE), CSIS: April 22, 2021 “There are only so many vaccine manufacturers in the world […] people are very careful about the safety of vaccines […] The thing that is holding us back is not IP. There is no idle factory with regulatory approval that makes magically safe vaccines […] we have all the rights from the vaccine companies and the work is going at full speed” BILL GATES, Sky News: April 25, 2021 “There are enough manufacturers, it just takes time to scale up. And by the way, I have been blown away by the cooperation between the public and private sectors in the last year, in developing these vaccines.” ADAR POONAWALLA, CEO SERUM INSTITUTE OF INDIA, February 14, 2021 “These [vaccines] are complex to make so just waiving IP and patents isn’t going to help […] you can only get trade secrets and knowhow with the cooperation of the originator companies, and they don’t have the bandwidth to do this in every part of the world … the only immediate solution is for rich countries to donate or sell their surplus vaccine to COVAX or other countries.” JAYASHREE WATAL, GEORGETOWN LAW PROFESSOR & FORMER WTO IP COUNSELOR, April 22, 2021 “It is also unclear whether a waiver of IP rights will make a difference […] Furthermore, as others have pointed out, IP rights are only a piece of what is needed to produce vaccines. There is currently a global shortage of raw materials and proper manufacturing facilities.” SAPAN KUMAR, LAW FOUNDATION PROFESSOR OF LAW AT THE UNIVERSITY OF HOUSTON LAW CENTER, May 9, 2021 “This is technology that’s every bit as critical as munitions and encryption codes […] It’s a platform technology that can be used to make all manner of treatments going forward, including vaccines.” DAVID KAPPOS, FORMER U.S. PATENT AND TRADEMARK OFFICE FOR PRESIDENT OBAMA, April 22, 2021 “The notion that we would then turn around and go to the World Trade Organization and basically endorse a policy of DARPA-funded technology transfer to China is just inconceivable. You’re basically aiding and abetting China’s ‘Made in China 2025’ plans for technological dominance.” CLETE WILLEMS, FORMER SPECIAL ASSISTANT TO THE PRESIDENT FOR INTERNATIONAL TRADE, INVESTMENT, AND DEVELOPMENT, April 22, 2021.

#### Innovation checks future disease – extinction

Engelhardt 8 [H. Tristram. Innovation and the pharmaceutical industry: critical reflections on the virtues of profit. M & M Scrivener Press, 2008 (doctorate in philosophy (University of Texas at Austin), M.D. (Tulane University), professor of philosophy (Rice University), and professor emeritus at Baylor College of Medicine)] Recut Justin

Many are suspicious of, or indeed jealous of, the good fortune of others. Even when profit is gained in the market without fraud and with the consent of all buying and selling goods and services, there is a sense on the part of some that something is wrong if considerable profit is secured. There is even a sense that good fortune in the market, especially if it is very good fortune, is unfair. One might think of such rhetorically disparaging terms as "wind-fall profits". There is also a suspicion of the pursuit of profit because it is often embraced not just because of the material benefits it sought, but because of the hierarchical satisfaction of being more affluent than others. The pursuit of profit in the pharmaceutical and medical-device industries is tor many in particular morally dubious because it is acquired from those who have the bad fortune to be diseased or disabled. Although the suspicion of profit is not well-founded, this suspicion is a major moral and public-policy challenge. Profit in the market for the pharmaceutical and medical-device industries is to be celebrated. This is the case, in that if one is of the view (1) that the presence of additional resources for research and development spurs innovation in the development of pharmaceuticals and med-ical devices (i.e., if one is of the view that the allure of profit is one of the most effective ways not only to acquire resources but productively to direct human energies in their use), (2) that given the limits of altruism and of the willingness of persons to be taxed, the possibility of profits is necessary to secure such resources, (3) that the allure of profits also tends to enhance the creative use of available resources in the pursuit of phar-maceutical and medical-device innovation, and (4) if one judges it to be the case that such innovation is both necessary to maintain the human species in an ever-changing and always dangerous environment in which new microbial and other threats may at any time emerge to threaten human well-being, if not survival (i.e., that such innovation is necessary to prevent increases in morbidity and mortality risks), as well as (5) in order generally to decrease morbidity and mortality risks in the future, it then follows (6) that one should be concerned regarding any policies that decrease the amount of resources and energies available to encourage such innovation. One should indeed be of the view that the possibilities for profit, all things being equal, should be highest in the pharmaceutical and medical-device industries. Yet, there is a suspicion regarding the pursuit of profit in medicine and especially in the pharmaceutical and medical-device industries.

#### Pharma spills-over – has cascading global impacts that are necessary for human survival.

NAS 8 National Academy of Sciences 12-3-2008 “The Role of the Life Sciences in Transforming America's Future Summary of a Workshop” //Re-cut by Elmer

Fostering Industries to Counter Global Problems The life sciences have applications in areas that range far beyond human health. Life-science based approaches could **contribute to advances in** many industries, from energy production and pollution remediation, to clean manufacturing and the production of new biologically inspired materials. In fact, biological systems could provide the basis for new products, services and industries that we cannot yet imagine. Microbes are already producing biofuels and could, through further research, provide a major component of future energy supplies. Marine and terrestrial organisms extract carbon dioxide from the atmosphere, which suggests that biological systems could be used to help manage climate change. Study of the complex systems encountered in biology is decade, it is really just the beginning.” Advances in the underlying science of plant and animal breeding have been just as dramatic as the advances in genetic can put down a band of fertilizer, come back six months later, and plant seeds exactly on that row, reducing the need for fertilizer, pesticides, and other agricultural inputs. Fraley said that the global agricultural system needs to adopt the goal of doubling the current yield of **crops while reducing key inputs like pesticides, fertilizers, and water** by one third. “It is more important than putting a man on the moon,” he said. Doubling agricultural yields would “change the world.” Another billion people will join the middle class over the next decade just in India and China as economies continue to grow. And all people need and deserve secure access to food supplies. Continued progress will require both basic and applied research, The evolution of life “put earth under new management,” Collins said. Understanding the future state of the planet will require understanding the biological systems that have shaped the planet. Many of these biological systems are found in the oceans, which cover 70 percent of the earth’s surface and have a crucial impact on weather, climate, and the composition of the atmosphere. In the past decade, new tools have become available to explore the microbial processes that drive the **chemistry of the oceans**, observed David Kingsbury, Chief Program Officer for Science at the Gordon and Betty Moore Foundation. These technologies have revealed that a large proportion of the planet’s genetic diversity resides in the oceans. In addition, many organisms in the oceans readily exchange genes, creating evolutionary forces that can have global effects. The oceans are currently under great stress, Kingsbury pointed out. Nutrient runoff from agriculture is helping to create huge and expanding “dead zones” where oxygen levels are too low to sustain life. Toxic algal blooms are occurring with higher frequency in areas where they have not been seen in the past. Exploitation of ocean resources is disrupting ecological balances that have formed over many millions of years. Human-induced changes in the chemistry of the atmosphere are changing the chemistry of the oceans, with potentially catastrophic consequences. “If we are not careful, we are not going to have a sustainable planet to live on,” said Kingsbury. Only by understanding the basic biological processes at work in the oceans can humans live sustainably on earth.

## 2

#### The Debt Ceiling expansion gives Democrats two months to finalize and pass Biden’s spending package – every moment is necessary to resolve intraparty disputes

Cochrane 10/7 Cochrane, Emily. Emily Cochrane is a correspondent based in Washington. She has covered Congress since late 2018, focusing on the annual debate over government funding and economic legislation, ranging from emergency pandemic relief to infrastructure. "Senate Leaders Agree to Vote on Short-Term Debt Ceiling Increase." N.Y. Times, 7 Oct. 2021, www.nytimes.com/2021/10/07/us/politics/debt-ceiling-senate.html.

Senator Chuck Schumer of New York, the majority leader, announced that he reached an agreement with Senator Mitch McConnell of Kentucky, the minority leader, to raise the federal borrowing limit through early December. “We have reached agreement to extend the debt ceiling through early December, and it’s our hope that we can get this done as soon as today.” “Republican and Democratic members and staff negotiated through the night in good faith. The pathway our Democratic colleagues have accepted will spare the American people any near-term crisis.” Video player loading Senator Chuck Schumer of New York, the majority leader, announced that he reached an agreement with Senator Mitch McConnell of Kentucky, the minority leader, to raise the federal borrowing limit through early December.CreditCredit...T.J. Kirkpatrick for The New York Times Oct. 7, 2021Updated 3:17 p.m. ET WASHINGTON — Top Senate Democrats and Republicans said on Thursday that they had struck a deal to allow the debt ceiling to be raised through early December, temporarily staving off the threat of a first-ever default on the national debt after the G.O.P. agreed to temporarily drop its blockade of an increase. Senator Chuck Schumer, Democrat of New York and the majority leader, announced that he had reached an agreement with Senator Mitch McConnell of Kentucky, the minority leader, to clear the way for a vote as early as Thursday on a short-term extension, with potentially as few as 11 days left before a possible default. The movement came the day after Mr. McConnell partly backed down from his refusal to allow any such increase to move forward, offering a temporary reprieve as political pressure mounted to avoid being blamed for a fiscal calamity. “It’s our hope that we can get this done as soon as today,” Mr. Schumer said on Thursday morning on the Senate floor. But one day after Mr. McConnell indicated that Republicans would stand aside and allow the short-term increase to advance, he and his top deputies were laboring on Thursday to ensure his members will put aside their objections and clear the path for a vote. “We gotta see if the deal is done,” President Biden told reporters during a trip to Illinois. “I’m not sure of that yet.” The agreed-upon bill would boost the legal debt cap by $480 billion, which the Treasury Department estimates would be enough to allow the government to continue borrowing through at least Dec. 3. The current debt limit was reinstated at $28.4 trillion on Aug. 1, and the Treasury Department has been using so-called extraordinary measures to delay a breach of the borrowing cap since then. The agency estimated that the government would no longer be able to pay all of its bills by Oct. 18, once those fiscal accounting maneuvers were exhausted. Without congressional action before then, economists and lawmakers have warned of catastrophic economic consequences, including the U.S. government having to choose between making payments on the interest on its debt or sending out Social Security checks and other crucial assistance. The legislation under consideration on Thursday did not offer a hard deadline for when cash would run out, and it would not restart the Treasury Department’s ability to employ extraordinary measures, such as curbing certain government investments, a Treasury official said. Some Republicans said they thought the set dollar figure would ensure the limit would not be reached again until at least January. The actual “X-date” will be determined by tax revenues that the government receives and expenditures that it must make near the end of the year. Making such projections has been especially difficult this year because the pandemic relief programs that are in place have made it harder to predict when money is coming and going. “There is no way to predict with any precision exactly how much you would need to increase the debt limit by to get to a certain date,” said Shai Akabas, the director of economic policy at the Bipartisan Policy Center, an independent think tank. But in aiming for Dec. 3, the deal may position the next debt limit fight to overlap once again with negotiations over avoiding a government shutdown, as funding is set to lapse on that same day if Congress does not approve new spending legislation beforehand. Democrats hope nearly two additional months will give them space to focus on finalizing and enacting most of President Biden’s domestic agenda, including hammering out an array of intraparty disagreements over an expansive multi-trillion-dollar social safety net and climate change package. In raising the prospect of a stopgap extension on Wednesday, Mr. McConnell had said that Republicans would allow Democrats to use normal procedures to consider it. But that commitment appeared in doubt on Thursday afternoon, as Republicans privately objected and leaders toiled to line up the votes needed. Should even one senator demand a recorded vote, at least 10 Republicans would be needed to join every Democrat to muster the 60 votes needed to move the bill forward. Image The movement on debt ceiling negotiations came the day after Senator Mitch McConnell backed down partially from his refusal to allow any such increase to move forward. Credit...T.J. Kirkpatrick for The New York Times “We’re having conversations with our members and kind of figuring out where people are, but, as you might expect, this is not an easy one to whip,,” said Senator John Thune of South Dakota, the No. 2 Republican. He added that, “in the end we’ll be there, but it will be a painful birthing process.” Some Republicans were wary of angering their base by allowing the bill to move forward, especially after former President Donald J. Trump issued a statement on Wednesday that attacked Mr. McConnell for “folding to the Democrats.” Mr. Trump seemed to be pressuring Republicans to force a showdown in the face of a looming default, saying that Mr. McConnell had “all of the cards with the debt ceiling, it’s time to play the hand.” Even if Republicans clear the way to allow the measure to pass, it does nothing to address the crux of the partisan stalemate over the debt. Most notably, Republicans have not dropped their demand that Democrats ultimately use an arcane and time-consuming budget process known as reconciliation to lift the debt ceiling into next year. Democrats are currently using that process to steer around Republican opposition and push through a sprawling domestic package that would address climate change, expand the social safety net with more health care and education benefits, and increase taxes on the wealthy and corporations. “The pathway our Democratic colleagues have accepted will spare the American people any near-term crisis,” Mr. McConnell said on the Senate floor. The extension, he added, also means “there’ll be no question they’ll have plenty of time” to use the reconciliation process to approve a long-term increase.

#### Aff doesn’t solve but requires negotiations that saps PC.

Pooley 21 [James; Former deputy director general of the United Nations’ World Intellectual Property Organization and a member of the Center for Intellectual Property Understanding; “Drawn-Out Negotiations Over Covid IP Will Blow Back on Biden,” Barron’s; 5/26/21; <https://www.barrons.com/articles/drawn-out-negotiations-over-covid-ip-will-blow-back-on-biden-51621973675>] Justin

The Biden administration recently announced its support for a proposal before the World Trade Organization that would suspend the intellectual property protections on Covid-19 vaccines as guaranteed by the landmark TRIPS Agreement, a global trade pact that took effect in 1995. The decision has sparked furious debate, with supporters arguing that the decision will speed the vaccine rollout in developing countries. The reality, however, is that even if enacted, the IP waiver will have zero short-term impact—but could inflict serious, long-term harm on global economic growth. The myopic nature of the Biden administration’s announcement cannot be overstated. Even if WTO officials decide to waive IP protections at their June meeting, it’ll simply kickstart months of legal negotiations over precisely which drug formulas and technical know-how are undeserving of IP protections. And it’s unthinkable that the Biden administration, or Congress for that matter, would actually force American companies to hand over their most cutting-edge—and closely guarded—secrets. As a result, the inevitable foot-dragging will cause enormous resentment in developing countries. And that’s the real threat of the waiver—precisely because it won’t accomplish either of its short-term goals of improving vaccine access and facilitating tech transfers from rich countries to developing ones. It’ll strengthen calls for more extreme, anti-IP measures down the road. Experts overwhelmingly agree that waiving IP protections alone won’t increase vaccine production. That’s because making a shot is far more complicated than just following a recipe, and two of the most effective vaccines are based on cutting-edge discoveries using messenger RNA. As Moderna Chief Executive Stephane Bancel said on a recent earnings call, “This is a new technology. You cannot go hire people who know how to make the mRNA. Those people don’t exist. And then even if all those things were available, whoever wants to do mRNA vaccines will have to, you know, buy the machine, invent the manufacturing process, invent creation processes and ethical processes, and then they will have to go run a clinical trial, get the data, get the product approved and scale manufacturing. This doesn’t happen in six or 12 or 18 months.” Anthony Fauci, the president’s chief medical adviser, has echoed that sentiment and emphasized the need for immediate solutions. “Going back and forth, consuming time and lawyers in a legal argument about waivers—that is not the endgame,” he said. “People are dying around the world and we have to get vaccines into their arms in the fastest and most efficient way possible.” Those claiming the waiver poses an immediate, rather than long-term, threat to IP rights also misunderstand what the waiver will—and won’t—do. The waiver petition itself is more akin to a statement of principle than an actual legal document. In fact, it’s only a few pages long. As the Office of the United States Trade Representative has said, “Text-based negotiations at the WTO will take time given the consensus-based nature of the institution and the complexity of the issues involved.” The WTO director-general predicts negotiations will last until early December. That’s a lot of wasted time and effort. The U.S. Trade Representative would be far better off spending the next six months breaking down real trade barriers and helping export our surplus vaccine doses and vaccine ingredients to countries in need.

#### Infrastructure secures the grid against worsening and increasing cyberattacks.

Carney 21 [Chris; 8/6/21; Senior policy advisor at Nossaman LLC, former US Representative, former professor of political science at Penn State University; "*The US Senate Infrastructure Bill: Securing Our Electrical Grid Through P3s and Grants*," JDSupra, <https://www.jdsupra.com/legalnews/the-us-senate-infrastructure-bill-4989100/>] Justin

As we begin to better understand the main components of the Infrastructure Investment and Jobs Act that the US Senate is working to pass this week, it is clear that public-private partnerships ("P3s") are a favored funding mechanism of lawmakers to help offset high costs associated with major infrastructure projects in communities. And while past infrastructure bills have used P3s for more conventional projects, the current bill also calls for P3s to help pay for protecting the US electric grid from cyberattacks. Responding to the increasing number of cyberattacks on our nation’s infrastructure, and given the fragile physical condition of our electrical grid, the Senate included provisions to help state, local and tribal entities harden electrical grids for which they are responsible. Section 40121, Enhancing Grid Security Through Public-Private Partnerships, calls for not only physical protections of electrical grids, but also for enhancing cyber-resilience. This section seeks to encourage the various federal, state and local regulatory authorities, as well as industry participants to engage in a program that audits and assesses the physical security and cybersecurity of utilities, conducts threat assessments to identify and mitigate vulnerabilities, and provides cybersecurity training to utilities. Further, the section calls for strengthening supply chain security, protecting “defense critical” electrical infrastructure and buttressing against a constant barrage of cyberattacks on the grid. In determining the nature of the partnership arrangement, the size of the utility and the area served will be considered, with priority going to utilities with fewer available resources. Section 40122 compliments the previous section as it seeks to incentivize testing of cybersecurity products meant to be used in the energy sector, including SCADA systems, and to find ways to mitigate any vulnerabilities identified by the testing. Intended as a voluntary program, utilities would be offered technical assistance and databases of vulnerabilities and best practices would be created. Section 40123 incentivizes investment in advanced cybersecurity technology to strengthen the security and resiliency of grid systems through rate adjustments that would be studied and approved by the Secretary of Energy and other relevant Commissions, Councils and Associations. Lastly, Section 40124, a long sought-after package of cybersecurity grants for state, local and tribal entities is included in the bill. This section adds language that would enable state, local and tribal bodies to apply for funds to upgrade aging computer equipment and software, particularly related to utilities, as they face growing threats of ransomware, denial of service and other cyberattacks. However, under Section 40126, cybersecurity grants may be tied to meeting various security standards established by the Secretary of Homeland Security, and/or submission of a cybersecurity plan by a grant applicant that shows “maturity” in understanding the cyber threat they face and a sophisticated approach to utilizing the grant. While the final outcome of the Infrastructure Investment and Jobs Act may still be weeks or months away, inclusion of these provisions not only demonstrates a positive step forward for the application of federal P3s and grants generally, they also show that Congress recognizes the seriousness of the cyber threats our electrical grids face. Hopefully, through judicious application of both public-private partnerships and grants, the nation can quickly secure its infrastructure from cyberattacks.

#### Cyberattacks on the grid spiral to all-out nuclear conflict.

Klare 19 [Michael; November 2019; Professor emeritus of peace and world security studies at Hampshire College; “*Cyber Battles, Nuclear Outcomes? Dangerous New Pathways to Escalation*,” Arms Control Association, <https://www.armscontrol.org/act/2019-11/features/cyber-battles-nuclear-outcomes-dangerous-new-pathways-escalation>] Justin

Yet another pathway to escalation could arise from a cascading series of cyberstrikes and counterstrikes against vital national infrastructure rather than on military targets. All major powers, along with Iran and North Korea, have developed and deployed cyberweapons designed to disrupt and destroy major elements of an adversary’s key economic systems, such as power grids, financial systems, and transportation networks. As noted, Russia has infiltrated the U.S. electrical grid, and it is widely believed that the United States has done the same in Russia.12 The Pentagon has also devised a plan known as “Nitro Zeus,” intended to immobilize the entire Iranian economy and so force it to capitulate to U.S. demands or, if that approach failed, to pave the way for a crippling air and missile attack.13 The danger here is that economic attacks of this sort, if undertaken during a period of tension and crisis, could lead to an escalating series of tit-for-tat attacks against ever more vital elements of an adversary’s critical infrastructure, producing widespread chaos and harm and eventually leading one side to initiate kinetic attacks on critical military targets, risking the slippery slope to nuclear conflict. For example, a Russian cyberattack on the U.S. power grid could trigger U.S. attacks on Russian energy and financial systems, causing widespread disorder in both countries and generating an impulse for even more devastating attacks. At some point, such attacks “could lead to major conflict and possibly nuclear war.”14

## Case

#### Skill Disparities and Trade Secrets – Moderna proves IP isn’t the root cause.

Silverman 3-15 Rachel Silverman 3-15-2021 "Waiving vaccine patents won’t help inoculate poorer nations" <https://www.washingtonpost.com/outlook/2021/03/15/vaccine-coronavirus-patents-waive-global-equity/> (Rachel Silverman is a policy fellow at the Center for Global Development)//Duong

Reality is more complicated, however. Because of the technical complexity of manufacturing coronavirus vaccines, waiving intellectual-property rights, by itself, would have **little effect**. It could even backfire, with companies using the move as an excuse to disengage from global access efforts. There are more effective ways to entice — and to pressure — companies to license and share their intellectual property and the associated know-how, without broadly nullifying patents. The Moderna vaccine illustrates the limits of freeing up intellectual property. Moderna announced in October that it would **not enforce IP rights** on its coronavirus vaccine — and yet it has **taken no steps to share information** about the vaccine’s design or manufacture, citing commercial interests in the underlying technology. Five months later, production of the Moderna vaccine remains entirely under the **company’s direct control** within its owned and contracted facilities. Notably, Moderna is also the only manufacturer of a U.S.- or British-approved vaccine not yet participating in Covax, a global-aid-funded effort (including a pledged $4 billion from the United States) to purchase vaccines for use in low- and middle-income countries. It is true, however, that activist pressure — including threats to infringe upon IP rights — can encourage originators to enter into voluntary licensing arrangements. So the global movement to liberate the vaccine patents may be useful, even if some advocates make exaggerated claims about the effects of waivers on their own. We focused on covid. Now our other patients are suffering. One reason patent waivers are unlikely to help much in this case is that vaccines are harder to make than ordinary drugs. Because most drugs are simple chemical compounds, and because the composition of the compounds is easily analyzable, competent chemists can usually reverse-engineer a production process with relative ease. When a drug patent expires, therefore — or is waived — generic companies can readily enter the market and produce competitive products, lowering prices dramatically. Vaccines, in contrast, are complex biological products. Observing their contents is insufficient to allow for imitation. Instead, to produce the vaccine, manufacturers need access to the developer’s “soft” IP — the proprietary recipe, cell lines, manufacturing processes and so forth. While some of this information is confidentially submitted to regulators and might theoretically be released in an extraordinary situation (though not without legal challenge), manufacturers are at an enormous disadvantage without the originator’s cooperation to help them set up their process and kick-start production. Even with the nonconsensual release of the soft IP held by the regulator, the process of trial and error would cause long delays in a best-case scenario. Most likely, the effort would end in expensive failure. Manufacturers also need certain raw ingredients and other materials, like glass vials and filtration equipment; overwhelming demand, paired with disruptive export restrictions, has constricted the global availability of some of these items.

### 1NC – Raw Material Turn

#### List of supply shortages – there is no way the aff solves, but they decrease available vaccines – erfani agrees that companies increase demand for raw material

[Laurie Garrett 21, (Columnist at Foreign Policy and former senior fellow for global health at the Council on Foreign Relations). 5/7/21, Stopping Drug Patents Has Stopped Pandemics Before, Foreign Policy, <https://foreignpolicy.com/2021/05/07/stopping-drug-patents-pandemics-coronavirus-hiv-aids/>] Justin

The vaccines aren’t easy to make. Manufacturing errors in a Maryland Emergent BioSolutions factory caused an 86 percent plummet in Johnson & Johnson vaccine supplies in early April. Complex steps in the process of isolating, purifying, preserving, storing, and delivering COVID-19 immunizations are each error-prone and require long lists of specialized chemicals and machinery.

The world is in the grips now of pipette tips shortages—used to suck out chemicals and viral samples from test tubes in key steps of vaccine making. Syringes are in short supply, prompting vaccinators to toss vaccine supplies for lack of means to administer them. The sterile containers used to hold vaccines are running out. From the earliest days of the 2020 pandemic, the sorts of protective gear and machinery vaccine researchers and makers require have been in short supply, exacerbated by trade tensions between the United States and China. Swabs used for COVID-19 testing and all aspects of equipment cleaning in sterile conditions are held up in a grotesque family dispute in Maine. There aren’t enough centrifuge tubes made worldwide to spin down cell samples. Moderna and Pfizer are constantly scrambling to find the ingredients used to make the microscopic fatty balls, called liposomes, that house the mRNA molecules and carry them safely into the bloodstream. Even the nucleic acids used to construct mRNA and a long list of special enzymes used to purify those samples are in horribly short supply, largely because their use overlaps with the manufacture of COVID-19 tests. Because such delicate chemicals and proteins must be handled at deep-freeze temperatures and transported swiftly for immediate use, the entire supply chain is vulnerable to the simplest of catastrophes: weather at an airport, a car crash that blocks truck traffic, power outages, or competition for cargo space.

Although waiving TRIPS requirements on COVID-19 vaccines is a spectacular, historic gesture, would-be generic makers worldwide will soon discover their efforts are stymied not by patents but for want of Avanti Polar Lipids’ liposome ingredients, Flexsafe RM special bags to hold liquid vaccines in bulk, phosphate-buffered saline solution, Distearoylphosphatidylcholine for liposome-making, 5’ cap for mRNA made by TriLink BioTechnologies, RNA polymerases—the list goes on, and on, and on. As the number of would-be vaccine makers grows, so will demand for thousands of such items, putting pressure on companies that are, in many cases, mom-and-pop operations. Worse, pressure on supplies critical for COVID-19 vaccine making is already resulting in a production loss of vital medicines for other diseases.

#### The aff causes a scramble for limited resources by manufacturers with no experience – turns case.

Breuninger 21 [Kevin; Specialist at CNBC; “Pfizer CEO opposes U.S. call to waive Covid vaccine patents, cites manufacturing and safety issues,” CNBC; 5/7/21; <https://www.cnbc.com/2021/05/07/pfizer-ceo-biden-backed-covid-vaccine-patent-waiver-will-cause-problems.html>] Justin

“Currently, infrastructure is not the bottleneck for us manufacturing faster,” Bourla wrote in a dear colleague letter posted on LinkedIn. “The restriction is the scarcity of highly specialized raw materials needed to produce our vaccine.”

Pfizer’s vaccine requires 280 different materials and components that are sourced from 19 countries around the world, Bourla said. He contended that without patent protections, entities with much less experienced than Pfizer at manufacturing vaccines will start competing for the same ingredients.

“Right now, virtually every single gram of raw material produced is shipped immediately into our manufacturing facilities and is converted immediately and reliably to vaccines that are shipped immediately around the world,” Bourla wrote.

He predicted that the proposed waiver “threatens to disrupt the flow of raw materials.”

“It will unleash a scramble for the critical inputs we require in order to make a safe and effective vaccine,” Bourla wrote.

“Entities with little or no experience in manufacturing vaccines are likely to chase the very raw materials we require to scale our production, putting the safety and security of all at risk,” the CEO wrote.

#### A vaccine waiver greenlights counterfeit vaccines and causes hesitancy – takes into account the countries Erfani talks about

Conrad 5-18 John Conrad 5-18-2021 "Waiving intellectual property rights is not in the best interests of patients" <https://archive.is/vsNXv#selection-5353.0-5364.0> (president and CEO of the Illinois Biotechnology Innovation Organization in Chicago.)//Elmer

The Biden's administration's support for India and South Africa's proposal before the World Trade Organization to temporarily waive anti-COVID vaccine patents to boost its supply will fuel the **development of counterfeit vaccines and weaken the already strained global supply chain**. The proposal will not increase the effective number of COVID-19 vaccines in India and other countries. The manufacturing standards to produce COVID-19 vaccines are **exceptionally complicated**; it is unlike any other manufacturing process. To ensure patient safety and efficacy, only manufacturers with the **proper facilities and training should produce the vaccine, and they are**. Allowing a temporary waiver that permits compulsory licensing to allow a manufacturer to export counterfeit vaccines will **cause confusion and endanger public health**. For example, between 60,000 and 80,000 children in Niger with fatal falciparum malaria were treated with a counterfeit vaccine containing incorrect active pharmaceutical ingredients, resulting in more than **100 fatal infections.** Beyond the patients impacted, counterfeit drugs erode public confidence in health care systems and the pharmaceutical industry. Vaccine hesitancy is a rampant threat that feeds off of the distribution of misinformation. Allowing the production of vaccines from improper manufacturing facilities further opens the door for antivaccine hacks to stoke the fear fueling **vaccine hesitance**.

#### At solvency

Analytics on flow

#### The Impact:

#### 1] Be extremely skeptical of the brink or uniqueness for this – COVID has happened for nearly two years and we have yet to see a great power conflict.

#### 2] No Correlation and best studies show COVID decreases Conflict – prefer comprehensive science that takes into account their individual cases of instability instead of viewing instances of instability in a vacuum.

Salemi 20 Colette Salemi 10-15-2020 "Does COVID-19 raise the risk of violent conflict? Not everywhere" <https://archive.is/h591O#selection-309.0-312.0> (Colette Salemi is a PhD student in applied economics at the University of Minnesota. Her research focuses on conflict, forced displacement, environmental degradation and their intersections.)//Elmer

How we did our research We **used** the Armed Conflict Location and Event Data (**ACLED**), a **database** **that counts** the **number of conflict events daily around the world**. For 2019 and 2020, ACLED includes more than 100 countries in Africa, Asia, Latin America and Eastern Europe — and tracks three categories of violent conflict: battles, violence against civilians and explosions/remote violence. We examine trends in the number of conflict events over time. To see whether the trend changes in response to covid-19, we look at what happened after the World Health Organization declared a global pandemic (March 11) or the country declared a lockdown. [Don’t miss any of TMC’s smart analysis! Sign up here for our newsletter.] The **relationship between pandemics and conflict is theoretically unclear.** In some countries, job losses from the covid-19 pandemic mean people have fewer income-generating options — that can make participation in violence seem a more viable alternative. But if **market disruptions** and reduced global demand are **driving down** the **value of natural resources** such as oil wells, then **we** may **see less conflict** over control of such resources. We then **conducted** case **studies** based **on** our knowledge of countries with high rates of violent conflict before **covid**-19. These include countries with active civil wars (such as Syria) as well as countries with violent militia groups (such as the Philippines). Conflict during the coronavirus pandemic varies greatly **Worldwide**, **we didn’t observe an increase in violent conflict**. **If anything, conflict has decreased**, as the figure below shows. **Violent conflict** between March and August 2020 **was 23 percent lower** than violent conflict during the same period in 2019. Comparing these time periods, battles are down 20 percent and remote violence and bombings are down 40 percent. But violence against civilians — the deliberate attack of unarmed noncombatants by armed groups — continued at similar rates globally.

Chart, histogram

Description automatically generated

#### LBL 1AC Recna Warrants:

#### 1] Commander Miscalc Warrant is literally “they die” – a] other diseases like Flu also cause death and b] natural causes – chain of command solves.

#### 2] Confusion as Aggressive Cover Warrant doesn’t account for double-edged effects of pandemics.

#### 3] Zero warrant for this Proliferation Warrant – less likely in pandemics since technology and money is re-directed at social and health spending.