

# THE HASKAYNE REPORT



## Big Pharma's Addiction to Greed

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### *Marketing Tactics*

The first medication, Morphine, was created in 1804 by Friedrich Sertürner (Hartley, n.d.). Ever since then medications have gradually evolved from being a substance primarily used for the overall wellbeing of the patient to a marketed product. In current times, large pharmaceutical industries utilize advertising mechanisms to invoke interest and trust within target populations. However, over the years crucial medications that support an individual's life have been marketed and turned into a product rather than a life-saving medication that provides vital sustainability for the individual. Considering the information a critical question arises: do the pharmaceutical companies that advertise and create trust within the patient population truly care about patient health or are their minds more profit-focused?

### *Greed*

Rodelis therapeutics is a drug company that substantially increased the price of their life saving tuberculosis drug, Cycloserine. Tuberculosis is a disease that is spread from close contact with other individuals who carry the disease. This disease predominantly affects the lungs, however, it can spread to other vital organs such as the kidneys, brain, and spine (Centers for Disease Control and Prevention, n.d.). Rodelis therapeutics acquired Cycloserine and dramatically raised the price from \$500 to \$10,800 (Pollack, 2015). A total of 1.5 million individuals died from Tuberculosis disease in 2020. Globally, Tuberculosis is the 13th leading cause of death and leads to the second highest number of deaths due to an infectious disease after COVID-19 (World Health Organization, n.d.). With these substantial price hikes, one may question what or who permits these insanely large price hikes. Do we not have

governmental systems in place to deter these actions from occurring? The underlying answer to this critical inquiry is rather simple: most of the time governments and political parties directly benefit from the unjust system. According to the Independent, pharmaceutical companies greatly impact national political systems. This is done by funding various political parties in their electoral platforms which allows the party leaders to disregard corruptive acts committed by the industry (Independent Digital News and Media, 2016). The pharmaceutical industry has great power which is primarily due to the market they have developed, a market that healthcare is dependent upon. With the global spending on medications expected to rise to 1.3 trillion dollars, it undoubtedly provides comfort for the pharmaceutical industry to initiate and execute its agenda (Independent Digital News and Media, 2016).

#### *Pandemics and escalation in pharmaceutical prices*

The COVID-19 pandemic incorporated teams of many scientific research corporations to rapidly produce and distribute a vaccine that allows protection from the life-threatening virus. Throughout COVID-19, costs of vital COVID-19 drugs increased significantly. Was the desire to provide an improved quality of life, as advertised by pharmaceutical companies, in the best interest of the general public, or was increasing the prices for these necessary life-saving drugs during a global pandemic just another profit-creating opportunity?

Dexamethasone, a critical medication that was sought during COVID-19 and is known to treat chronic lung disease and brain swelling (two major symptoms of the COVID-19 infection), displayed the largest increase in price (Wikimedia Foundation, 2022). It rose nearly three-fold in the Netherlands (+277%) (Ando, 2020). Diazepam, another crucial drug, increased prices in Lithuania (+167%), Denmark (+128%), Canada (+114%), New

Zealand (+100%), and United Arab Emirates (+100%) (Ando, 2020). Allowing for these discrepancies within the drug market creates a divide between rich and poor. Rather than having these drugs be readily available to any human being, the drug is more available to an individual depending upon their socioeconomic background rather than their qualification and necessity of the drug. The 2016 Canadian Community Health Survey proclaims roughly 8.2% of Canadians who are prescribed medications (about 3 million people) stated the inability to obtain their medications due to affordability issues (Government of Canada, 2022). Another study indicated almost 1 million Canadians had to resort to decreasing their food and heating comforts in order to purchase medications. It also found that 2.5 percent of Canadians relied upon the borrowing of money to pay for necessary prescription pharmaceuticals in the preceding year (Law et al., 2018; Government of Canada, 2022). Studies have found that Canadian senior citizens and individuals on social assistance who are unable to afford medications have increased hospitalized rates and death rates and 43% of individuals who were unable to afford prescription medications had their health worsen (Government of Canada, 2022).

#### *Actions that can be taken to alleviate the issue*

The main actions that can be taken to alleviate the stresses of increased unaffordability for drugs primarily rely upon governmental interference. One policy that is currently under debate and is being assessed by the United States government is that of price negotiation. A recent successful price negotiation accomplished by the government of the United States is that of the COVID-19 vaccines (Gustafsson & Nuzum, 2021). Pharmaceutical companies agreed to the price request put forth. This resulted in the United States to provide free of cost COVID-19 vaccines to all of its population. The concept of drug pricing

reformation is greatly beneficial to governments and the general public. A plan had been set for the United States to negotiate prices of various drugs, and if successful, it could allow its government to obtain a comforting \$500 billion over a course of 10 years (Gustafsson & Nuzum, 2021). An option that is considered by many countries that have adopted a public healthcare system is regarding universal pharmacare. It is a pathway that has been discussed by the Canadian government and Parliament. National pharmacare would allow for the price of drugs to be covered by the government. This would allow for necessary medications that are not easily affordable to be obtained by individuals who require them (Clement & Memedovich, 2018). Research has indicated that opting for a universal pharmacare plan could save governments upwards of \$7.3 billion (Clement & Memedovich, 2018).

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