

GlaxoSmithKline's bribes are evidence that Big Pharma isn't working

The inadequacies of relying solely on market forces for our drugs are clearer than ever. This scandal should prompt a rethink



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GSK's anti-depressant drug for adults, Paxil, which the company was promoting to under 18s. Photograph: Joe Raedle/Getty Images

Perhaps the most shocking thing about the latest GlaxoSmithKline drug scandal is that malpractice among our overlords still has the ability to shock at all. Yet despite popular cynicism about doctors being in the pockets of the drug companies, there remains a sense that the people responsible for our healthcare are more principled and less corruptible than expenses-fiddling politicians, predatory bankers, amoral media magnates and venal police.

If this were a junk food company lying about its noxious products, or a tobacco company pushing ciggies on schoolkids, we'd be outraged but hardly surprised. When a major pharmaceutical company is found to have been up to comparable misdemeanours – bad enough to warrant an astonishing \$3bn fine – it seems more of a betrayal of trust.

This is absurd, of course, but it shows how the healthcare industry benefits from its proximity to the Hippocratic oath. "Do more, feel better, live longer" GSK purrs. How can we doubt a company that announces as its priorities as "improving the health and wellbeing of people around the world" and "being open and honest in everything we do"?

Now GSK admits that, in effect, it risked damaging the health of people around the world, and was secretive and fraudulent in some of what it did. Among other things, it promoted antidepressant drug Paxil, approved only for adults, to people under 18. It marketed other drugs for non-approved uses; it suppressed scientific studies that didn't suit (for example over the heart attack risks of its diabetes drug Avandia), and over-hyped others that did. It also hosted outings for doctors in exotic locations and showered them with perks, knowing that this would boost prescriptions of its drugs.

I'm incensed. Not because this vindicates a conviction that pharmaceutical companies are staffed by profit-hungry liars and cheats, but precisely because I know that they are not: that so many of their scientists, and doubtless executives and marketers too, are decent folk motivated by the wish to benefit the world. They have been degraded.

It is precisely because Big Pharma really has benefited the world – making life a great deal more tolerable and advancing scientific understanding – that the industry has acquired the social capital of public trust GSK has been busy squandering.

But it's time we accepted that it is a business like any other, and does not operate on a higher, more altruistic plane than other multinationals. It will do whatever it can get away with, whether that means redacting scientific reports, bribing academics and physicians, or pushing into "grey" markets without proper consent or precaution.

After all, this has happened before. All the giants – AstraZeneca, Bristol-Myers Squibb, Merck, Eli Lilly, Pfizer – have been investigated for bribery. One of the most notorious episodes of misconduct involved Merck's anti-inflammatory drug Vioxx, withdrawn in 2004 after the company persistently played down its risk of causing cardiovascular problems. History suggests that GSK's chief executive Andrew Witty's assurances that lessons have been learnt are meaningless.

As with the banking scandals, GSK's downfall is partly a failure of management – those at the top (some of the malpractice predates Witty's incumbency) weren't watching. It's partly a failure of culture: the jollies and bribes came to seem normal, ethically unproblematic, even an entitlement, to both the donors and recipients.

And it's partly a failure of regulation. The US Food and Drugs Administration has seemed at times not just toothless but actually collusive. Meanwhile, some American academics, having enjoyed Big Pharma's kickbacks for decades, are now shrieking about

the [Physician Payments Sunshine Act](#) – a part of the ObamaCare package that would make it mandatory for physicians to declare any perks or payments received from drug companies greater than \$10, whether as speaker fees, theatre tickets or Hawaiian holidays. The protesters claim they will drown in bureaucracy. Harvard physician Thomas Stossel [claimed in the Wall Street Journal](#) that the backhanders don't harm patients. The GSK ruling shows otherwise. In reality they will be forced to reveal how much these things supplement their already healthy income.

But the problems are still deeper. You don't have to be an anti-capitalist to admit the inadequacies of relying solely on market forces for our drugs – not least for those that, being urgently needed mostly by poor countries, will never turn a profit.

[Incentives for Global Health](#), a non-profit organisation at Yale University, has argued the case for a global, public sector drug development agency, funded for example by a Tobin tax. In the unlikely event that our leaders should dare to demand such genuine recompense for the moral bankruptcy of the financial world, there would be few better uses for it – and freedom from the corrupting influence of the profit margin adds another argument to this already compelling case.

One way or another, some rethinking of how drugs are discovered, developed, sold and used is needed, before the noble art of medicine comes to look more like [Mr Wormwood](#) selling a dodgy motor for whatever he can get away with.

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