Drug Money In America

by David C. Grabbe Forerunner, "WorldWatch," July-August 2012

In contemplating the state of mind of leaders, Solomon observes that "money answers everything" (Ecclesiastes 10:19). The business of legalized drugs is a powerful example of the power of money to foster unethical collusion. In 2011, the total revenue of the world's pharmaceutical industry was \$839 *billion*. In the United States alone, drug companies brought in over \$320 billion. While this revenue may seem like a good thing from a national economic standpoint, a closer look reveals a much darker side.

In 1997, the U.S. began allowing drug companies to engage in direct-to-consumer (DTC) marketing without having to make a full disclosure of risks and side effects. This practice is so fraught with danger and abuse that only one other country in the world permits it (New Zealand). DTC marketing encourages the consumer to be a driving force in the prescription process based on slick, emotion-driven marketing lacking crucial information, and many doctors are all too happy to prescribe what their patients ask for.

Today, over \$5 billion is spent annually on DTC advertising. In 2008, the House of Representatives Commerce Committee found that every \$1,000 spent on drug ads produced 24 new patients. A 2003 Commerce Committee research report found that prescription rates for drugs promoted in this way were nearly seven times greater than those without consumer advertising. Allowing the drug companies to present their products without full disclosure has proved to be incredibly profitable, both for the drug companies and for the doctors writing the prescription. However, a Food and Drug Administration survey of U.S. physicians found that 75% believed the DTC ads caused patients to think the drug works better than it actually did, and only 40% of physicians believed that patients properly understood the risks and negative effects of a drug from the DTC AD alone.

While drug companies go all out to influence the consumer, they try even harder to influence doctors, spending some \$16 billion a year on product promotion to them. This goes far beyond just posters on the wall and targeted mailings. According to the ProPublica database, in 2009 seven companies paid \$282 million in legal bribes to over 17,000 doctors, in either direct payments or gifts—vacations, sports tickets, club memberships, expensive dinners, etc.—designed to establish rapport between sales representatives and physicians, and thus influence their prescribing habits. Drug companies have become the chief influencers of doctors' prescription decisions. They would not spend such money if it did not have a good return.

This influence begins as early as medical school. On March 2, 2009, *The New York Times* published the article, "Harvard Medical School in Ethics Quandary," describing the collusion between Harvard faculty and various drug companies. Students became wary when a professor promoted the benefits of certain cholesterol drugs yet belittled a student who inquired about the side effects. The students discovered that their professor—a full-time member of the Harvard Medical faculty—was also a paid consultant for ten different drug companies, five of which manufactured cholesterol drugs.

However, this was just the tip of the iceberg: Under the school's disclosure policy, about 1,600 of 8,900 professors and lecturers (18%) reported that they or a family member has ties to a company that could bias their teaching or research. In 2008 alone, the pharmaceutical industry contributed more than \$11.5 million to Harvard for "research and continuing education classes."

The links between the federal government and drug companies are likewise manifold. The pharmaceutical industry is the biggest political lobby, having spent \$1.5 billion on lobbying Congress in the last decade. In addition, it has become commonplace for the officers of the Centers for Disease Control (CDC) and National Institutes of Health (NIH) to take leading positions in drug companies, while retaining the governmental ties that engender influence. In 2003, hundreds of NIH scientists were found to have financial ties to the medical and pharmaceutical industries. The then-director of the NIH, Elias Zerhouni, dissuaded Congress from banning all outside activities of those working for the NIH. Instead, it limited the restrictions for conflicts of interest to upper-level management only. (In a classic example of wearing conflicting hats, Zerhouni later left the NIH, and is now head of Sanofi-Aventis' research labs, a professor at Johns Hopkins School of Medicine, a member of the Board of Trustees at the Mayo Clinic, and a senior fellow for the Bill & Melinda Gates Foundation's Global Health Program.)

While word of collusion, conflicts of interest, and legal bribery by the drug companies is seeping out to the public, the stories have not become a flood because the drug companies have billions to spend on advertising, and media companies are starving for advertising dollars. Retired neurosurgeon Russell L. Blaylock, MD, explains in an editorial on Mercola.com:

We no longer have investigative journalists, we have a corporate controlled media. It is no secret that most media outlets are desperate for money, especially in this economy. The lifeblood of all media is advertising. An independent analysis appearing in a peer reviewed open access journal published by the Public Library of Science estimated that pharmaceutical companies in the U.S. spent \$57.5 billion on promotion in 2004, almost twice as much as they spend on research and development. Virtually every TV news network, magazine and newspaper is filled with very expensive pharmaceutical ads. These media outlets cannot afford to lose this money and this allows the pharmaceutical companies to set editorial policy. Stories criticizing vaccines are as rare as hen's teeth.

Pharmaceuticals are a marketing-driven industry, and one whose products are responsible for over 700,000 emergency room visits each year. More critically, adverse drug reactions *from drugs that are properly prescribed and properly administered* cause about 106,000 deaths per year, making prescription drugs the fourth-leading cause of death in America. The image of life-saving researchers in white coats is now challenged by the one of insatiable sales reps in flashy cars. But the profits are high enough, and the influence great enough, that many "leaders" are willing to turn a blind eye.