Op-Ed: U.S. AIDS Policy vs. U.S. Trade Policy

By Advocate Contributors

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On World AIDS Day, December 1, President Barack Obama announced plans to bring two million more people living with HIV/AIDS in developing countries onto U.S.-government supported treatment. The president's commitment builds on the decade-long global treatment revolution, which has already saved the lives of millions.

Unfortunately, U.S. AIDS policy is in tension with U.S. trade policy.

Generic competition drove the 99% price reductions for first-line medicine which facilitated the treatment revolution, lowering costs from $10,000 per person per year (ppy) to under $100 ppy today. But now the United States is negotiating a Trans-Pacific Free Trade Agreement with terms intended, over time, to expand drug patent monopolies for about half the world. Closed negotiations continued this month in Kuala Lumpur, sparking protests there by people living with HIV. The high costs of patent monopolies, particularly for newer second- and third-line HIV/AIDS medicines — still commonly thousands of dollars per person per year — seriously limit the ability of governments and donors to scale up treatment access.

High prices force impossible choices for health departments allocating fixed budgets insufficient to meet all of their public health obligations. Aid programs including the U.S. President's Emergency Plan for AIDS Relief struggle to expand current treatment levels.

New science shows treatment is also effective as prevention. Perhaps for the first time, practitioners can model an end to the pandemic. But "getting to zero" will require dramatically increasing treatment access worldwide. To continue the treatment revolution and seek an end to AIDS, we need to expand generic competition.

Obama administration plans for the Trans-Pacific FTA could make this more difficult. The agreement would require all member countries to change their laws on drug patents to some of the most aggressive standards the world has seen. These include substantive and procedural rules that facilitate patent abuse and profiteering by the big pharmaceutical companies. Ambitious U.S. plans for the Trans-Pacific FTA would eventually apply the agreement to the entire Asia-Pacific region, including critical sources of generic medicines supply such as India. Global cost reductions and expanding treatment access depend in no small part on global economies of scale for generics. The Trans-Pacific FTA directly threatens this.

The impetus for these proposed trade rules is the political and economic power of the patent-based pharmaceutical industry. Now a coalition of health groups is waging an unprecedented global campaign to challenge that power. Treatment advocates in a dozen countries, from Vietnam to Colombia to the U.S., have teamed up to file legal measures challenging drug makers' monopolistic hold on key HIV drugs. If successful, the measures will authorize price-lowering generic competition, as well as free up at least one of these medications for use as a booster in improved combination therapies.

It is important to remember that U.S. federal grants facilitated the invention of some of these drugs. Nevertheless, for years the U.S. government has resisted the use of health rights in patent rules to expand access to medicines. And now U.S. patent and trade policy is inhibiting U.S. AIDS policy, including the work of PEPFAR in Vietnam. The promise of an "AIDS-free generation" is beautiful. Getting there will require standing up to Big Pharma, promoting competition, and expanding access to the medicines we need to end AIDS.

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