

# Ethics of big pharma vs little consumers

[Health & Medicine](#)



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### Ethics of Big Pharma vs Little Consumers

The pharmaceutical industry is among the most admired and criticized of all. This contradiction stems from the fact that the industry, on one hand, provides cures to life-threatening diseases and at the same time is incapable of providing that cure to everyone at affordable prices. Sadly, millions of Americans with life threatening ailments are forced to choose between medication that will allow them to live a normal life and the ability to afford a simple meal. These pharmaceutical companies are no strangers to making billions of profit each year.

Private companies profit massively from the taxpayer funded research that they then use to patent cures and medications that those same taxpayers so desperately need. For this reason, we are forced to question where or not it is ethical for a company who receives government subsidies, and thus is funded by the public, to be private, immensely profitable entities that can charge consumers whatever they want? In an attempt to answer this question, we must look at it from both a pharmaceutical/business perspective and a consumer/patient perspective. Corporate Social Responsibility relates to an organization responsibility to make money and the responsibility to interact ethically with the surrounding community (Brusseau, 2018).

A business can't function and remain in business if it doesn't make money, so ultimately its number one obligation is to make money. Last year, US giant Pfizer, the world's largest drug company by pharmaceutical revenue, made an eye-watering 42% profit margin (Anderson, 2014). Pharmaceutical companies spend anywhere from \$1.5- \$2.5 billion and an upward of 10 years researching and developing new medications. A lot of time and effort goes into providing these cures to the world and they should be able to recoup what they spent as well as make a profit. If these companies weren't allowed to earn the amount of profit they did, there would be no incentive for them to continue providing these life-changing cures that help billions of people every year.

After a company makes money they then must fulfil a legal, ethical and philanthropic obligation. Over the years, drug companies have remained at the top of the list for giving the most charitable contributions. According to Forbes The 20 Most Generous Companies of the Fortune 500, Pfizer donated more than \$3 billion in medication last year in addition to \$93.3 million in cash contributions. Their donations have helped the International Trachoma Initiative, which is in pursuit of eliminating the eye infection that can cause blindness and Gavi, the Vaccine Alliance, which increases access to immunizations (Preston, 2016). If these companies didn't make the amount of profits they did, they wouldn't be able to afford to provide the assistance they do.

From the business/corporate perspective, pharmaceutical companies appear to adhere to corporate social responsibility and based on the utilitarian theory act in an ethical manner. The research and development that is done

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by the companies helps the greater good because without them, many of the cures we have today would not have been or it would have taken a lot longer for them to be developed. From the consumer/patient perspective, pharmaceutical companies are anything but ethical. Patients are vulnerable, and companies take advantage of that vulnerability. Being a 14-year-old girl, diagnosed with Type 1 Diabetes and learning that your life has forever changed is nothing easy to deal with. It's difficult learning you will need to take two types of insulin and check your blood sugar a minimum of 5 times.

What's more difficult is seeing how the financial burden affects your family. This 14-year-old girl was me. A vile of insulin can cost anywhere from \$330-\$400 without insurance (Humalog). Affording my medication was one of the biggest and hardest struggles for my family. Many times, I can remember not taking the correct amount of medication I needed to in order to make the vile of insulin last longer than it should have. I can also remember ending up in the hospital because I wasn't taking care of my sugar levels because I was worried that we wouldn't be able to afford to pay bills or buy food. I felt like being sick was a huge burden on my family and that they would be better off if they didn't have me to deal with. The fact that these drug companies are allowed to profit on the sickness of someone is upsetting.

Drug companies tend to stand by and justify the high prices they charge by stating that their research and development (R&D) costs are huge. According to BBC, on average only three in 10 drugs launched are in fact profitable, but as Global Data reports, pharmaceutical companies spend far more on marketing drugs than on researching and developing them (Anderson, 2014). One way the focus their marketing efforts is by bribing doctors to

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prescribe their medications over other possibly less expensive medications. This causes the unethical behavior to trickle down. It trickles down from the pharmaceutical companies to the doctors and ultimately to consumers who participate in the black market.

It ultimately isn't ethical for a company who receives government subsidies, and thus is funded by the public, to be private, immensely profitable entities that can charge consumers whatever they want because it's not like we go to a store filled with diseases and ailments and pick which ones we want to have. And since taxpayers end up footing the bill to help develop these medications, it doesn't make sense to charge us an arm and a leg for something we've essentially already paid for (Judd, 2018). President Donald J Trump has promised a blueprint to lower drug prices which includes taking steps to end the gaming of regulatory and patent processes by drug makers to unfairly protect monopolies (President, 2018).

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