



“Free Trade” costs lives: access to medicines, the AIDS crisis, and the Free Trade Area of the Americas

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Recent draft negotiating texts that would create a Free Trade Area of the Americas (FTAA) show this expansive trade agreement will threaten the health of poor people in the Western Hemisphere—thanks to the trade agenda of the most powerful FTAA negotiator, the Bush Administration. In Latin America and the Caribbean, lack of access to affordable medicines for treatable diseases like HIV is already a crisis. But provisions contained in the draft FTAA would dramatically worsen lack of access to medicines, while curtailing or eliminating countries’ recourse to sustainable solutions that would help increase the affordability of desperately needed treatments.

42 million people are already living with HIV worldwide. 95% of those people have no access to the medicines that have transformed HIV in a chronic illness in wealthy countries like the U.S. These people have a death sentence because they are considered too poor to be treated. In this regard, HIV is like many other diseases of poverty—treatment is available, but only to a wealthy minority. As a result, more than 8500 people with HIV/AIDS die daily—3 million people per year.

In the regions of Latin America and the Caribbean, AIDS is a profound threat to public health—even though these regions are not as heavily impacted as sub-Saharan Africa. 2 million people are currently infected in Latin America and the Caribbean. Worldwide, HIV prevalence in the Caribbean is exceeded only by sub-Saharan Africa. Throughout Latin America and the Caribbean the HIV pandemic has eroded development gains, undermined the human rights of infected people and of high-risk communities, and has exacerbated economic crises. Numerous studies have shown that medicines needed to treat other public health problems in the region are likewise priced out of reach.

Drug Prices Slashed: Activists’ efforts to force the prices of life-extending AIDS medicines down, particularly through the introduction of generic competition, have created pockets of access in some poor countries. In Brazil, national activist pressure has created an AIDS program built on the principle of universal treatment access. This universal access is only possible because of the availability of lower cost generics, and the government’s decision to negotiate price reductions aggressively, using tactics with such as the threat of breaking a drug company’s patent monopoly (called “compulsory licensing”; compulsory licensing is permissible under the rules of the WTO).

AIDS-related death rates and hospitalizations in Brazil have plummeted as a result of this internationally lauded program. Brazilians are seeking testing for HIV where they would not have before—because they have hope that if they test positive for HIV, they will have access to treatment and not just a death sentence. Moreover, demand in Brazil for lower cost medicines has changed the global market; the cost of HIV medicines has dropped from more than \$10,000 per year in the U.S. to about \$300 in many poor countries. While still too costly in sub-Saharan Africa, this price could bring life saving treatment within reach in the Western Hemisphere.

Exit the Doha Declaration, Enter the FTAA: If the U.S. gets its way, the FTAA would make sustaining or expanding Brazil’s AIDS treatment program nearly impossible. The Bush Administration, working with the American pharmaceutical industry lobby, the most powerful in the world, is fighting for tougher patent rights for the Western Hemisphere—regardless of the impact on health and access to medicines. These patent rights would exceed even the strict rules established by the WTO.

At the last WTO Ministerial in Doha in 2001, developing countries and NGOs won a declaration, called the “Doha Declaration on the TRIPS Agreement and Public Health,” signed by all WTO Members, stating that WTO rules “can and should be interpreted and implemented in a manner supportive of WTO members’ right to protect public health and, in particular, to promote access to medicines for all.” This declaration, opposed by the U.S. and the drug company lobby, gave countries the green light to use WTO rules to promote access to affordable medicines—for HIV or any health problem. The U.S. is now sidestepping the forum of the WTO: in aggressive negotiations of the FTAA and other regional and bilateral agreements, this declaration—a tremendously important political victory—is never mentioned.

The tougher rules the Bush Administration is fighting for include: 1) extending patent monopolies for drug companies beyond the current twenty year lifespan, 2) drastically limiting the conditions under which countries could do compulsory licensing of medicines, 3) eliminating the ability of FTAA countries to export compulsorily licensed medicines to other countries in need, 3) blocking generic companies’ access to test data needed to do compulsory licensing in a timely and economically viable way, 4) in the FTAA investment chapter, drug companies would have standing to sue governments, potentially to block actions like compulsory licensing, and 5) directing drug regulatory authorities to block approval of a generic version of a drug if there are existing patent claims—increasing the chance that bogus patent claims would prevent generics from coming to market, because drug companies already access have normal judicial means through which to enforce valid patent claims.

What You Can Do: Join the growing network of public health, fair trade, human rights and AIDS activist organizations in the U.S. and in Latin America and the Caribbean fighting the deadly impact of the FTAA and related regional and bilateral trade agreements on public health and access to medicines. For more information, updates, and other resources contact Asia Russell at Health GAP: +1 267 475 2645 or asia@healthgap.org.