

Neg

We negate.

Contention One is Stifling Innovation

The United States is the biggest contributor to pharmaceutical innovation, largely because of the lack of price controls. **Arnum** 16 at the Drug, Chemical & Associated Technologies Association reports: The United States places first overall on a per-GDP basis, with policies that contribute the most to global biopharmaceutical innovation. All of the top 5 countries in terms of innovation didn't have price controls, and countries with price controls were all ranked much lower depending on the extremity of the policy.

Most innovation in the US is done by small startup companies. **Ioannou** 18 at CNBC writes that startups are driving pharma innovation. The majority of drugs approved in recent years originated at startups— 63 percent of them over the last five years.

Price controls would devastate these companies. **Howard** 16 at the Manhattan Institute writes that if America's medicines industry became significantly less profitable—the explicit aim of price controls, it would weaken financial incentives for supporting innovation among start-up companies, which depend on venture funding. Additionally, the National Bureau of Economic Research found that a 40%–50% reduction in U.S. drug prices would slash investment in early-stage drug-development efforts by 30%–60%. The start-up community would bear the brunt of this decline in U.S. investment capital, because they lack the excess funding that big pharma companies have that allows them to take large risks.

The impact is antibiotic resistant diseases.

Hu 18 at Business Insider writes that big pharmaceutical companies have been exiting this type of research because of a lack of profit. Consequently, most innovative antibiotics used against bacteria actually come from small, startup-sized companies.

Thus, finding solutions to antibiotic resistant infections depends on these small startups, which price controls would bankrupt. Halting innovation in this area would have enormous consequences. **Hu** writes that as many as 10 million people could die annually from superbugs by 2050 if innovation is stopped.

Contention Two is Developing Countries

In developing countries, drug prices are much lower than they are in industrialized nations. **Schweitzer** 11 at Health Affairs writes that in developing countries the average prices for patented drugs are less than 20 percent of those in the United States.

While price controls would lower prices for American consumers, they would also raise prices in developing nations. **Mello** 18 at the Minnesota Law Review writes that because we pay so much, pharmaceutical companies may be more willing or able to grant price concessions to low-income countries. Actions we take to restrict prices will have unintended effects on drug affordability in less wealthy countries.

The impact is HIV/AIDs.

According to **HIV.gov** in November, there were approximately 36.9 million people worldwide living with HIV/AIDS in 2017. Only 6% are in Western and Central Europe and North America.

The majority of sufferers are in developing countries. **Pearson** 10 at the University of Massachusetts writes that growing awareness in the 1990s that HIV and AIDS were more prevalent in developing countries than in industrialized ones and that effective treatments were available to only a few patients because of limited government and personal incomes, transformed HIV/AIDS advocacy efforts. The high prices of HIV medications were quickly identified as a major barrier to access.

Thus, prices were drastically reduced. The **World Health Organization** writes in 2017 that the first affordable, generic, single-pill HIV treatment regimen has become available to low- and middle-income countries at around \$75 per person, per year, 96% lower than the current price in the US, \$2040.

HIV.gov explains that HIV treatment access is key to the global effort to end AIDS as a public health threat. In 2017, 21.7 million people living with HIV (59%) were accessing treatment globally, up from 8 million in 2010. Subsequently, deaths have declined drastically. In 2017, 940 000 people died from AIDS-related illnesses worldwide, compared to 1.9 million in 2004.

Prices must stay low in developing countries, as **Wagner** 04 at the Annual Review of Public Health writes that for countries with extreme rates of poverty, anything but very low prices would render drugs unavailable to all but the few wealthy residents.

Thus, we proudly negate.