

We Negate Resolved: The United States federal government should impose price controls on the pharmaceutical industry.

Contention 1 is Innovation

Currently, small pharmaceutical businesses are the engine of American innovation.

Lori of CNBC in 2018 finds that more efficient and nimble pharma start-ups account for 63% of new drug approvals in the United States with the aim of improving global health.

Unfortunately, price controls would destroy these businesses.

Fiorenzo of Harvard University in 2010 explains that because small pharma operates on tight budgets, small pharma is dependent on high sales profits. With price controls decreasing these expected profits, it would be harder for these firms to attract external investment.

Masia of Claremont College in 2007 furthers that price controls have a particularly negative impact on small pharma firms, with many unlikely to survive with profit reductions.

In sum, **Carmelo of UChicago in 2005** quantifies that if the US adopted price controls in the 1980s, there would have been a 38% decrease in new drug production.

Maintaining innovation is key to ending American suffering.

The National Health Council in 2014 furthers that uncured chronic diseases affect 133 million Americans.

Fortunately, with new research into these diseases, **Lichtenberg of Columbia in 2000** finds that each new drug saves the equivalent of 11,200 life years.

In sum, **Mishra of the Indian Health Journal** quantifies that from 1991 to 2004, US life expectancy increased by 2.33 years mostly due to the creation of new drugs.

Contention 2 is developing nations

The global pharmaceutical market relies on the US to reap high profits.

Vernon of the National Bureau of Economic Research in 2005 finds that the U.S. pharmaceutical market is currently the only market in the world where drug prices remain largely unregulated.

As a result, **Damiano of the Harvard Business Review in 2017** finds that 80% of net profit growth for global pharmaceutical companies came from price increases in the United States.

As such, price controls in the United States would prove disastrous to the global industry, as they would dampen profitability in the most important market.

Filson of Claremont University in 2007 quantifies that a halving of drug prices in the US would decrease global pharmaceutical revenue by 20%.

This is key, because high profits for the pharmaceutical industry have allowed companies to help the developing world.

Mello of Stanford in 2018 writes that high profits in the US directly allow companies to reduce prices as well as make donations in low income countries.

As such, **Shah of the PRN in 2014** finds that pharmaceutical companies are reducing prices in poor countries and relaxing patents to allow domestic generic manufacturers to produce the same drugs.

For example, **Dockrill of Science Alert in 2016** writes that pharma giant GSK announced it will not file for patents in 85 developing countries, following similar initiatives by companies Merck and Roche.

Overall, **Comanor of Health Affairs in 2011** quantifies that poor countries pay 6% of what the industrialized world does for essential medicines.

Unfortunately, when price controls are implemented in the US, the tides could quickly turn.

Danzon of UPenn in 2003 concludes that as high income countries like the US push for lower drug prices, pharmaceutical companies will be unwilling to grant lower prices to the developing world, severely undermining access to existing drugs for the global poor.

Even worse, global pharma could tighten its patent protections in the developing world, putting access to medicine out of the hands of millions.

Continued pharmaceutical philanthropy to poor nations is vital.

Taylor of the Cameron Institute in 2010 finds that over the past two decades, the pharmaceutical industry has made its most significant gains in improved access to medicines and health outcomes in the poorest countries in the world.

Specifically, by combating HIV, tuberculosis, and various tropical diseases, **Taylor** concludes that since 2000, global pharma interventions have helped 540 million people.

As a result, the **World Health Organization in 2016** finds that global life expectancy has increased by 5.5 years since 2000, mainly driven by better child survival rates and HIV medication in Africa.

Hunt of the UN in 2007 quantifies that with better access to drugs in poor nations, ten million lives can be saved each year.

To continue to lift up the developing world, we urge you to negate.