

# Bush bird flu plan includes windfall for pharmaceuticals giants

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President George W. Bush's announcement Tuesday of a \$7.1 billion plan to combat the threat of an avian influenza pandemic has drawn criticism from scientific experts and the state and local authorities mandated to implement much of the program.

It is also being exposed as a thinly disguised gift to US pharmaceutical companies that stand to profit handsomely from the production of vaccines and treatments for the bird flu under the administration's plan, while avoiding liability for damages resulting from their operations.

Bush unveiled the "National Strategy for Pandemic Influenza" in a speech Tuesday to doctors, scientists and members of Congress at the National Institutes of Health in Bethesda, Maryland. Utilizing the phraseology common since the 9/11 terror attacks, Bush described the threat of the bird flu as "a danger to our homeland," and urged Congress to fund his proposal.

The threat of a worldwide outbreak of avian flu is genuine. The H5N1 strain of the virus has already infected 122 people and killed 62 in four countries—Indonesia, Vietnam, Thailand and Cambodia—and has contaminated poultry flocks across wide stretches of Asia and into Europe.

While up to now most human victims appear to have been infected directly from birds, the danger is that the deadly virus could mutate into a form easily transmittable between humans. A recent *Science* magazine article stated that according to expert opinion the odds of an eventual global outbreak are "100 percent," posing a danger to millions of lives.

Critics have decried Bush's "crash program" as too little, too late. Dr. Allan Rosenfield, dean of the Mailman School of Public Health at Columbia University in New York, told Reuters, "It should have happened five years ago." To put the \$7.1 billion figure into perspective, it is close to the amount spent by the US in a month on the war in Iraq. It is also less than the \$8-billion flu preparedness

plan passed recently by the Senate.

It is also a fraction of the \$70 billion in additional tax cuts for the wealthy that Bush and the Republican-controlled Congress are preparing to enact.

The Bush administration's "National Strategy" to fight an avian flu pandemic is not only woefully inadequate, but promises windfall profits to the giant pharmaceutical interests while leaving cash-strapped state and local authorities financially responsible for implementing large portions of the plan.

The overwhelming share of the proposed \$7.1 billion—\$6 billion—is earmarked to purchase vaccines and antiviral drugs and to change the way the vaccines are produced. In particular, drug manufacturers will receive \$2.8 billion to shift from an older technique that involves inoculating a virus into fertilized hens' eggs to a more efficient approach using cell cultures to produce vaccines.

Also allocated in these drug-related costs are between \$1.2 billion and \$1.5 billion to build a 20 million-dose stockpile of an experimental vaccine (based on the bird flu presently found in Asia), \$1 billion for antiviral medicines, and \$800 million to develop new flu treatments. Only \$251 million is slated to go to affected nations in Asia to monitor the disease and build new laboratories.

But while the US pharmaceutical companies stand to reap billions, one of the most sinister aspects of the administration's plan calls for their protection from legal liability. In his remarks, Bush said he wants "to remove one of the greatest obstacles to domestic vaccine production—the growing burden of litigation," urging Congress to "pass liability protection for the makers of life-saving vaccines."

Administration officials have yet to clearly spell out how the drug giants would be shielded from this "growing burden of litigation," but the implications are clear: ordinary citizens suffering sickness or death as a result of

the use of vaccines or flu treatments would be sharply restricted in efforts to seek legal redress for their injuries. Congress has already approved limits on the legal liability for drugs and vaccines used for bio-defense.

While details of how the money is to be doled out have yet to be released, pharmaceutical companies expressed their delight at the prospect. "It's really an encouraging step," said Dino Dina, chief executive of Dynavax Technologies of Berkeley, California, which is developing a drug to increase the effectiveness of bird-flu vaccines.

Gilead Sciences of Foster City, California, developer of the antiviral drug Tamiflu, was singled out for mention in Bush's speech. Gilead stands to make about \$50 million from royalties for Tamiflu, which is manufactured by Roche.

Local and state officials, however, were less enthusiastic. The plan calls for \$644 million to "ensure that all levels of government are prepared," and calls for states to buy enough antiviral medicine to treat 31 million people, with the federal government providing a 25 percent subsidy. But Trust for America's Health, an advocacy group, calculates that this amounts to an "underfunded mandate" of about \$510 million.

The "National Strategy" also allots \$100 million for state and local preparedness in the event of a flu pandemic. But the Bush administration's budget has already reduced funding for state and local health departments by \$130 million, so the net result is a \$30 million cut in funding.

Commenting on the shortfall for local health authorities, Mary Selecky, secretary of the Washington State Department of Health, told the *Seattle Post-Intelligencer*, "I appreciate that the feds want to stockpile antiviral drugs and improve the work toward getting a vaccine, but we also need basic support for state and local public health departments."

The Infectious Diseases Society of America, a professional organization of disease experts, said in a statement that "significant issues remain to be resolved, including investment in state and local preparedness, (medical) surge capacity and risk communication."

There is also no funding in Bush's program to counteract the danger of an inadequate number of hospital beds in the event of a pandemic. Hospital beds have been slashed in recent years due to a combination of federal budget cuts and moves by for-profit health care corporations to boost revenues.

According to a leaked draft of the plan drawn up by the

Department of Health and Human Services (HHS) and obtained by the *New York Times*, in the event of a flu outbreak, hospitals would be overwhelmed, riots would engulf vaccination clinics and power and food could be in short supply.

In remarks last month, Bush seized on the threat of an avian flu pandemic to press for legislative changes to grant him de facto martial law powers in the event of an outbreak. He said that large numbers of US combat troops could be needed to "effect a quarantine."

In the wake of the Hurricane Katrina disaster, Bush administration officials have repeatedly urged Congress to repeal or amend the Posse Comitatus Act, an 1878 statute that bars the use of the military for domestic policing, except under conditions of a popular insurrection.

At a news conference Wednesday on the new bird flu plan, HHS Secretary Mike Leavitt did not indicate whether the government planned on restricting travel in the event of a pandemic, but said that the departments of Homeland Security and Transportation were still considering possible scenarios and plans.

Up to now, one of the major factors contributing to the short supplies of vaccines and influenza treatments has been their limited profit potential for pharmaceutical corporations, as compared to more lucrative profits from the production of drugs for chronic conditions, such as heart disease, impotence and arthritis.

As in other aspects of social life in America, private ownership, production for profit and the anarchy of the capitalist market constitute the central obstacles to an effective and comprehensive plan to safeguard the people. In the case of the avian flu pandemic threat, millions of lives are potentially at stake. But the government's response is to treat it as a pretext for expanding the domestic use of the military and providing a new windfall for multibillion-dollar corporations.



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