Oklahoma judge finds Johnson & Johnson guilty in opioid epidemic

Benjamin Mateus 27 August 2019

In the first full-scale trial of an opioid manufacturer, Judge Thad Balkman of Cleveland County District Court of Oklahoma ordered the giant pharmaceutical company Johnson & Johnson to pay the state \$572 million for its role in the opioid crisis which has killed more Americans than died in World War II.

The company was found culpable for pushing doctors through "false, misleading, and dangerous marketing campaigns" to prescribe opioid-based pain killers while downplaying the addictive risks associated with them, the judge wrote. Overprescription "caused exponentially increasing rates of addiction, overdose deaths" and other dire health consequences.

Though there was widespread media praise for the ruling as a landmark event, it is far short of the \$17 billion that Oklahoma Attorney General Mike Hunter had urged the judge to order Johnson & Johnson to pay. Balkman's verdict provides the state only a year's worth of the estimated costs that would be required to treat those addicted and establish long-term prevention programs.

The financial markets took the verdict in stride. In after-hours trading, Johnson & Johnson's stock price jumped from \$127.78 to \$133.61. Many investors had anticipated a judgment of over \$1 billion.

Earlier this year Oklahoma settled with two other giant pharmaceuticals also embroiled in the opioid crisis: Purdue Pharma, manufacturer of oxycodone, agreed to pay \$270 million, and Teva Pharmaceuticals \$85 million.

These cases have been closely monitored by some two dozen opioid makers that are facing more than 2,000 lawsuits throughout the country. Over 500 of these have been filed just against Johnson & Johnson, which supplied 60 percent of the ingredients used by pharmaceutical companies, including its own

subsidiary Jantzen, to manufacture opioids.

Johnson & Johnson is a US-based multinational corporation that develops medical devices, pharmaceuticals and consumer packaged goods with revenues in 2018 at \$81.58 billion. It has total assets worth close to \$153 billion, ranked 37 on the 2018 Fortune 500 list of the largest United States corporations by total revenue. For a company that size, the Oklahoma penalty is little more than a slap on the wrist, although it would become more than that if replicated in the other 49 states.

So far, despite more than 400,000 deaths and the devastation of entire regions of the country, not one executive linked to the opioid crisis has faced criminal charges, let alone been sent to prison, for their utterly negligent behavior in pursuit of profits.

The Oklahoma Opioid Trial Decision Against Johnson & Johnson notes these facts, among others:

- From 1994 to 2006, prescription opioid sales in the state increased fourfold.
- From 2011-2015, more than 2,100 Oklahomans died from unintentional overdoses of prescription opioid.
- In 2015, over 326 million opioid pills were dispensed to Oklahoma residents, enough for every adult to have 110 pills.
- Oklahoma dispenses the most prescriptions per capita of fentanyl, an opioid far more powerful than heroin.

• In 2017, 4.2 percent of babies born covered by SoonerCare were born with Neonatal Abstinence Syndrome (This is a condition when a baby withdraws from certain drugs it is exposed to in the womb before birth.)

Prior to the mid-1990s opioid abuse was confined to relatively small numbers of people. But by 2017, opioids have been responsible for 47,600 of the 70,200 drug overdoses reported by the National Institute on Drug Abuse. Presently, the leading cause of death in Americans under the age of 50 relates to drug overdose. This has caused life expectancy in the United States to decline.

The opioid epidemic is now becoming a global phenomenon. According to the World Health Organization, an estimated 27 million people suffered from opioid use disorder in 2016. Roughly 450,000 people have died with overdose deaths, accounting to nearly half of all drug-related deaths.

Additional information obtained from the trial notes that from 2000 to 2011, Johnson & Johnson's sales representatives made more than 150,000 visits to Oklahoma physicians known for being high-volume prescribers.

Johnson & Johnson's opioid drugs originate in Tasmania. The small island south of mainland Australia has emerged as the world's leading supplier of opioids. In 1994, chemists made adjustments that allowed Tasmanian poppy plants to produce a higher yield of thebaine, a precursor drug for making oxycodone.

The agreements on the flow of powerful and illicit drugs like heroin did not apply to thebaine. This lack of regulatory control was a "necessary precondition for the explosive growth of opioid production and oversupply in the last 25 years," according to one expert.

Johnson & Johnson attorneys have set their sights on appellate courts. According to the *New York Times*, "Indeed whether Judge Balkman's verdict will survive scrutiny is uncertain: State and possibly federal appeals judges may take a skeptical view on the state's legal theory and the extent of the company's liability."

As the WSWS has recently written, "there is no doubt that the top drug manufacturers and distributors are guilty a thousand times over for the deaths of hundreds of thousands of innocent people." But the complicity of the political establishment has accounted for the paltry settlements and legal inertia that prevents any serious consequences for these criminal activities.

Only the mobilization of the international working class to put an end to the profit system and place the pharmaceutical industry on socialist foundations—producing what is needed for human welfare, not corporate profit—can resolve the crisis which has taken such a devastating toll in impoverished working-class areas.



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