

COVID-19: Global vaccination stymied by nationalism and profit gouging

Jean Shaoul
3 January 2021

The world's poorest countries are in grave danger from the long-term spread of COVID-19 after some of the richest nations, representing just 14 percent of the global population, have bought 53 percent of the most promising vaccines so far.

As a result, it could take until late 2022 or early 2023 before even half the population in low-income countries are vaccinated.

Many underdeveloped nations have reported relatively few COVID-19 cases and deaths, with the entire African continent of 54 countries reporting fewer deaths than France, but this is a gross underestimate of the real number. The shocking lack of resources to test for infection, the stigma attached to acknowledging the disease, and even the lack of universal death registration systems render the official statistics all but meaningless.

Dr Tedros Adhanom Ghebreyesus, Director-General of the World Health Organization (WHO), welcomed the vaccines, saying they provided “a glimpse of the light at the end of the tunnel.” He nevertheless insisted, “we will only truly end the pandemic if we end it everywhere at the same time, which means it's essential to vaccinate some people in all countries, rather than all people in some countries.”

Ghebreyesus added, “vaccines will complement, but not replace, the many other tools we have in our toolbox to stop transmission and save lives. We must continue to use all of them.”

In reality, the plight of the working class in the advanced capitalist and oppressed nations bear a remarkable similarity. While the imperialist centres have a monopoly on the vaccine, the anarchy of the market and the indifference of the financial oligarchy toward the lives of millions, makes for a vaccine rollout plagued by obstacles and half-measures.

It is doubtful that any country can end its epidemic via vaccination alone. About 70 percent of the world's population would need to be immunized to achieve “herd immunity”, a target unlikely to be met in the short-term, in part because most of the vaccines have not been approved for the under 16 age group.

The race to procure vaccines against a fast-spreading virus that travels unimpeded by border controls has set in motion a ferocious national competition that threatens to prolong and

intensify the pandemic.

The irrationality of the capitalist system of production for private profit, not the public good, means the pandemic will kill many more people worldwide for years to come and resurge even in nations that manage to control it through vaccination. In addition to causing immense and unnecessary loss of life, the continuation of the pandemic will plunge billions of people into poverty.

A handful of giant drug companies that own patents on the vaccines, resulting from costly research carried out largely in publicly funded laboratories, will rake in obscene profits for years to come.

The manufacturers of just three vaccines, Pfizer-BioNTech, Moderna, and AstraZeneca, expect to produce around 5.3 billion doses in 2021 to vaccinate about 2.6 billion people (two doses are needed to protect against the coronavirus). With rich countries having already pre-ordered large quantities—more than half of all the promising vaccines—the People's Vaccine Alliance, including Amnesty International, Oxfam and Global Justice Now, warns there is not enough vaccine to go round.

According to the Alliance, wealthier countries have bought enough doses to vaccinate their entire populations three times over, with Canada ordering enough vaccine to protect each citizen five times. The US has pre-ordered 1.1 billion doses of several potential vaccines, nearly double the number needed. Just three countries, Australia, Canada, and Japan, have secured more doses of potential vaccines than all of Latin America and the Caribbean—which have with more than 17 percent of global coronavirus cases.

During the swine flu (H1N1) outbreak, the US and other rich countries bought up nearly all the available vaccines. Swine flu killed more than a quarter of a million people worldwide in 2009-10. Wealthier nations agreed to share some vaccines with low-income countries only after satisfying their own needs.

In the HIV/AIDS epidemic, poor nations were priced out of the market for life-saving medication as companies imposed a uniform international price. As a result, the cost of anti-retroviral drugs on a per capita GDP-adjusted basis was higher in South Africa than in Sweden or the US, putting it beyond the reach of the millions of South Africans with HIV/AIDS.

Pharmaceutical companies, with the backing of the US

Clinton administration and some European governments, sued the South African government that had bought cheaper generic drugs abroad, naming Nelson Mandela, the president of South Africa, as the lead defendant and only abandoning their lawsuit in the face of mass international protests.

Earlier this year, instead of coordinating the production and distribution of personal protective equipment, ventilators, and medicines that they had failed to prepare for a future pandemic, the European Union (EU) along with another 70 countries, imposed bans or limits on their export.

Belgium's Budget State Secretary, Eva De Bleeker, revealed the massive scale of profit gouging by Big Pharma. She posted on Twitter—then quickly deleted—the prices the EU negotiated to pay as a bloc, for the leading Covid vaccines. The information exposed wide variations in prices between manufacturers, with Moderna, whose research was funded by the US government, charging 10 times the price of Oxford/AstraZeneca, whose research was funded by the UK government:

- Oxford/AstraZeneca: €1.78/\$2.16
- Johnson & Johnson: \$8.50/\$10.33
- Sanofi/GSK: €7.56/\$9.19
- Pfizer/BioNTech: €12/\$14.59
- CureVac: €10/\$12.16
- Moderna: €14.80/\$18

The US paid \$1.2 billion to secure 300 million Oxford-AstraZeneca vaccine doses for Americans, even before they were proved safe or effective, a sum equal to \$4 per dose, twice as much as the EU paid. The US paid \$19.50 per dose for the Pfizer vaccine compared to \$14.59 by the EU, fuelling outrage in the US Congress. In contrast, Moderna's vaccine will cost \$18.00 a dose in the EU compared with \$14.80 in the US.

If or when the richest countries share their excess doses, they will likely donate or sell them at low cost bilaterally to their allies and client states, as an instrument of political power, instead of distributing the vaccines through multilateral public health initiatives.

Anna Marriott, Oxfam's health policy manager, said, "No-one should be blocked from getting a life-saving vaccine because of the country they live in or the amount of money in their pocket. But unless something changes dramatically, billions of people around the world will not receive a safe and effective vaccine for Covid-19 for years to come."

Last October, India and South Africa asked the World Trade Organization to waive intellectual property protection for the vaccines and allow developing countries to manufacture or import generic versions. The US, the EU and the UK all rejected the proposal.

Unable to pay the exorbitant prices demanded by Big Pharma, some 94 poor and middle-income countries have signed agreements with Covax, a Public-Private Partnership comprising international health organizations including the World Health Organisation, the Coalition for Epidemic

Preparedness Innovations (CEPI) and GAVI, the Vaccine Alliance. But this initiative will at best provide vaccines for 20 percent of the participating countries' population.

The Covax vaccine sharing scheme is one of three arms of the Access to Covid-19 Tools (ACT) accelerator, set up by the WHO, the European Commission, and the French government. It is part of a broader restructuring of the global public health industry following the debacle of the HIV/AIDS lawsuit, away from WHO and towards the private sector. The new initiatives empower donor nations, philanthropies including the Bill and Melinda Gates Foundation, and new consortia such as GAVI, the Vaccine Alliance (that includes vaccine producing corporations), and the Global Fund to Fight AIDS, Tuberculosis, and Malaria.

Recipient countries must sign opaque deals with strings attached, paying up-front without knowing which vaccine they will receive or when the doses will arrive. Covax provides an estimate of price per dose, but the purchaser must bear the risk if actual costs run higher, if the vaccine fails or if anything goes wrong. Seth Berkley, GAVI's chief executive, said it could secure an initial two billion doses with more later, but refused to disclose information on its deals with the drug companies, describing them as commercially confidential. He did not explain when supplies would arrive, or where the \$6.8 billion to purchase them will come from, or how distribution networks, already compromised by the economic impact of the pandemic, would cope.

Many poor countries will be almost entirely dependent on international aid organisations to get some vaccines for free or at low cost.

While publicly funded laboratories have made possible the rapid development of vaccines, the disastrous response of all the major capitalist powers to the global COVID-19 pandemic makes clear the need to put an end to capitalism and the subjugation of human health to private profit. The international working class must intervene to expropriate the pharmaceutical giants and every major industry sector, transforming these monopolies into publicly-owned and democratically-controlled utilities to serve the needs of humanity.



To contact the WSWP and the
Socialist Equality Party visit:

wsws.org/contact