

Trade war erupts over vaccine supplies between Europe and UK

Samuel Tissot, Will Morrow
29 January 2021

With last night's announcement by the European Union (EU) banning the export of vaccines to Northern Ireland, the nationalist conflict over access to vaccines has developed into a trade war between the EU and the UK.

Earlier this week, vaccine manufacturer AstraZeneca informed the EU that it could not fulfill its pledge of 100 million vaccine doses by March. It expects to provide only 31 million doses in this period, with further delays expected for 200 million more on order. The company cited problems in production at its manufacturing site in Belgium.

In response, the EU demanded that a portion of the vaccines produced at two UK-based plants in Oxford and Staffordshire be reallocated to replace the shortages from the Belgian plant. The Johnson government dismissed the EU request for vaccines, and cited the fact that the UK agreement with AstraZeneca was signed three months earlier than the EU's, arguing for "first come first serve."

A frenzied nationalist campaign is underway in the British media and political establishment. Minister for Cabinet Office Michael Gove told Good Morning Britain that "the really important thing is making sure that our own [UK] vaccination program proceeds precisely as planned."

Last night, the EU briefly announced a ban on vaccine exports to Northern Ireland, invoking Article 16 of the Northern Ireland Protocol. While exports to the country are not supposed to be subject to checks, the EU has claimed it could be used as a backdoor for exporting vaccines from the EU to UK. It stated the invoking of Article 16 was necessary to "avert serious societal difficulties due to a lack of supply threatening to disturb the orderly implementation of the vaccination campaigns in the member states."

The EU withdrew the move late last night, however, after UK Prime Minister Boris Johnson called EU Commission President Ursula von der Leyen to express

his "grave concerns" over the attempt to block shipment of vaccines to Northern Ireland.

Earlier this week the EU Health Commission sent officials to the company's Belgian plant after EU officials accused AstraZeneca of diverting vaccines destined for the European market to other parts of the world where it had agreed higher purchasing prices. On Thursday, the German health minister announced that AstraZeneca vaccine would not be used on over 65-years-olds, claiming this was due to concerns over the lack of older participants in the drug's clinical trials.

AstraZeneca has claimed that its obligations to the EU in the deal were only an agreed "best effort" target. Earlier yesterday, the EU published a redacted version of the contract agreement with AstraZeneca. Commission President Ursula Von der Leyen stated that it was "crystal clear" that the company was contractually bound to deliver the doses.

The EU action has exposed the deep-going inter-imperialist conflicts between the major European powers that underlay Brexit and have only been intensified by the coronavirus pandemic. The working class across the continent has nothing to gain from either side in this reactionary conflict. It has only laid bare the bankruptcy of an economic order based on the private ownership of the productive forces and the nationalist division of the world economy, and the inability and refusal of capitalist governments to organize the most essential program of vaccination and combat against a deadly pandemic.

It is now clear that the vaccine companies agreed to contracts for hundreds of millions of doses that were far too large for them to meet, as part of a cutthroat struggle to secure contracts worth billions. In December, Pfizer announced that it would be unable to meet its promised outlay of 12.5 million vaccines to the EU for the end of the year. It pledged to increase production in Europe, but announced that this would be subject to its ongoing

private negotiations with five to six manufacturers.

AstraZeneca was likewise aware of production shortfalls in early January, but only informed its customers this week. On Friday, Moderna announced that its supplies to Italy would be 20 percent lower than agreed upon, with a similar shortage expected for France.

Several European countries have already announced delays in their vaccination programs, which were already proceeding in a chaotic and incompetent manner, due to a lack of supplies. Reuters revealed on Thursday that French officials have delayed vaccines for at least one month in three regions, including in the densely populated Île-de-France region surrounding Paris.

Portugal has confirmed that its vaccination schedule will be moved back to at least April. German officials have predicted that their schedule will be pushed back at least two months.

The world's working population depends upon the rapid and coordinated distribution of a vaccine. But these needs are entirely subordinate under capitalism to the profit interests of pharmaceutical giants and their hedge fund backers. The need for a rational, scientific plan for the global distribution of a vaccine is hampered by the nationalist struggle among the major powers over who will be able to vaccinate and restart its economy the most rapidly.

This has a particularly grotesque expression in this week's revelation that South Africa is paying more than double the price per dose for the Oxford-AstraZeneca vaccine compared to the EU, at €4.32 instead of €1.78 per dose. Pfizer, Moderna, AstraZeneca, Johnson & Johnson and Curevac have all charged wildly varying prices for the vaccine, depending on the country making the purchase, highlighting the extent of vaccine profiteering.

Last October, India and South Africa asked the World Trade Organization to waive patents on vaccines, so that they could be manufactured generically. The request was rejected by the EU, UK, and US.

Many of the world's poorest countries do not expect to receive vaccinations until 2022 or 2023. The US has ordered 1.1 billion vaccine doses, almost double what is required to vaccinate the US population. The EU, UK, Japan, Canada, and Australia have also ordered more doses than needed to protect their populations.

The straitjacketing of global vaccinations is only one expression of the criminal character of capitalist governments' response to the coronavirus pandemic. It has not been conditioned by the desire to save as many lives as possible. The overriding concern has been to

protect the wealth of the financial elite, first through massive corporate bailouts beginning in March last year, then through the drive to keep schools and non-essential workplaces open, despite the danger this poses to hundreds of thousands, to ensure that profits can continue to flow.

A scientific policy in response to the pandemic will only be secured through a unified movement of the working class on an international scale. The gigantic pharmaceutical corporations must be taken out of the hands of the financial speculators and transformed into public utilities under the democratic control of the working class. Vaccine production and distribution must be coordinated and organized on a global scale, not subordinate to private profits or the interest of national capitalist elites, to ensure that the entire world's population can be freely and rapidly vaccinated.

This must be combined with keeping the population safe until vaccines can be administered. This includes the closure of all non-essential workplaces and schools, and the provision of a high living wage to the entire population, including sufficient resources to all small businesses. The resources for such a policy exist; they are simply monopolised by a corporate and financial elite. The alternative is the struggle for socialism, and the organization of the economy on an international scale according to social need, rather than private profit. In Europe, this means the fight against all forms of nationalism, and the struggle by the working class for the United Socialist States of Europe.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact