

German government opposes lifting of patents on coronavirus vaccines

Peter Schwarz
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Germany's government is resisting with all means at its disposal the lifting of the patents on coronavirus vaccines.

Tedros Adhanom Ghebreyesus, head of the World Health Organisation, has been advocating an end to the patents for some time in order to overcome the shortage of vaccines in developing countries. More than 100 member countries of the World Trade Organisation, led by South Africa and India, have launched such an initiative. Several non-government organisations, including Doctors Without Borders, are supporting the call.

When US President Joe Biden announced on Wednesday that his administration was considering suspending the patents, alarm bells began ringing in government buildings in Berlin. Chancellor Angela Merkel personally called U?ur ?ahin, founder of the Mainz-based company Biontech, which brought the first approved coronavirus vaccine to market in conjunction with the US-based pharmaceutical giant Pfizer.

The federal government subsequently declared its firm opposition to lifting the patents. "The protection of intellectual property is the source of innovation and must remain so in the future," stated a government spokeswoman. The factors limiting the manufacturing of vaccines are not the patents, but the lack of production capacity and high-quality standards, the statement continued.

The federal parliament opposed a motion by the Left Party calling for the abandonment of the patents by 498 votes to 117. The media was full of comments as to why patent protections must be retained.

"The pharmaceutical companies have invested considerably to manufacture effective vaccines quickly, even though they received state subsidies," stated the conservative daily *Frankfurter Allgemeine Zeitung*. "Their right to intellectual property should not be underestimated. The incentive to take risks and produce

such achievements must be retained."

The *Süddeutsche Zeitung* commented, "Property is a valuable motivation for innovation. The fact that the first vaccine against coronavirus came from Germany is thanks to the local economy, which is based on incentives for entrepreneurs. The pioneering spirit of some researchers and businessmen is based on a systemic principle: my idea, my project, my business, my colleagues, and yes, my profit."

The Medication Manufacturers' Research Association, which represents the interests of major pharmaceutical companies, warned that without patents, the original producers would have "no incentive to participate in the quickest possible worldwide distribution of vaccines."

These arguments have no basis in reality. The mRNA technology on which the Biontech/Pfizer vaccine is based was developed at publicly funded universities. It was described for the first time in 1990 and used to vaccinate mice in 1994. Private firms only showed an interest in it when huge profits beckoned. And even then, they were generally supported and protected with public funds.

A vaccine against COVID-19 could have been produced much more quickly if the progress made during the SARS epidemic in 2002-3 had been intensively pursued. But after the SARS wave subsided and no more profit was possible from it, the pharmaceutical industry lost interest.

The reality is that the opposition to lifting the patents on coronavirus vaccines is about money, a huge amount of money. The business of coronavirus vaccines is extremely lucrative. Pfizer earned profits during the first quarter of 2021 of \$3.5 billion from its vaccine. The company's overall revenue rose by 45 percent compared to the same period a year earlier, reaching \$14.6 billion. The company cashed in on profits amounting to one third of total revenue, \$4.9 billion.

Biontech's share price rose from €13 in October 2019 to €150 today. The start-up is now worth €34 billion. A

similar process has occurred with other vaccine producers.

But the current surplus is only a fraction of the anticipated profits. The pharmaceutical companies, which generate \$1.2 trillion around the globe annually, are banking on a massive boom. The mRNA technology, which was first applied for the coronavirus vaccine, could also be used to combat cancer and other illnesses. Alongside Biontech, other German firms are working in this area. Curevac, whose coronavirus vaccine is in its final tests, has been conducting research on the technology for 20 years. A bitter struggle for the global market has now erupted.

In a background article in its latest edition, news magazine *Der Spiegel* bluntly laid out what is at stake. “Is a multi-billion industry of the future emerging, in which the Germans are exceptionally in the lead?” asks the article. “Not just great hopes of containing the pandemic around the world rest on the German companies, but also ambitious industrial policy expectations in Berlin and Brussels. This has been for some time not just about COVID-19, but rather the mRNA technology as a whole. It’s about the question of how can Europe secure its advantage in a future technology that promises to fundamentally transform the pharmaceutical market?”

According to *Der Spiegel*, this is what makes “the US patent plans so extremely dangerous for the company. A tremendous amount of basic research conducted by Biontech, which is already being used for cancer treatment, is contained in the COVID-19 vaccine, would also be made public.” In the view of the European Union commission, there would be “only one beneficiary: Beijing.” Giving up the knowledge advantage on mRNA technology would above all benefit the Chinese pharmaceutical branch, noted *Der Spiegel*, citing an official from Brussels.

Biontech does not want to block its vaccine from reaching China, but merely to earn money through its sale to the Chinese market. Company head Ulf Sahin flew to Shanghai in April to personally negotiate supplies and the expansion of production facilities there. China is also working on mRNA vaccines, but those approved for use so far rely on the older vector technology and only have an effectiveness of 50 percent.

Biontech’s push into China is likely one of the reasons why the US government has shifted its stance to the patents on coronavirus vaccines. The EU is accusing Washington of perfidious double standards, since it has to date blocked the export of production materials and stored

vaccine doses, thus majorly undermining the international supply of vaccines.

As in all other areas of the coronavirus pandemic, the health and lives of millions of people are being subordinated to the profit interests of big business. Although already 3.3 million people have officially died from COVID-19, infection rates continue to rise, and hardly anyone has been vaccinated in developing countries, the German government is vehemently opposed to lifting vaccine patent protections. The US government also has no intention of following up its announcement with actions, especially when its own geostrategic interests are at stake.

Lifting patent protections would significantly help to vaccinate the population in Africa, where only 2 percent has been vaccinated, and other impoverished regions. Supporters of abandoning the patents refer to the example of AIDS.

In the mid-1990s, new medications in the wealthy countries stopped the deaths of people infected with HIV. In poorer countries, millions of people continued to die because the medication remained unaffordable. This only changed in 2001, when the WTO allowed 50 poor countries to produce generic drugs. Treatment costs dropped by around 99 percent, helping to save millions of lives.

What is true of COVID-19 also applies to the treatment of cancer, from which 10 million people die annually. Instead of making all research results public so that scientists throughout the world can build on them and develop effective drugs, they are patented and kept under lock and key so profits can be made.

The capitalist social order, which sacrifices the needs of society to the enrichment of a financial oligarchy and the predatory interests of imperialism, is irreconcilable with the interests of the overwhelming majority of humanity. The struggle to end the COVID-19 pandemic demands its abolition and the building of a socialist society.



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