US-UK medicines deal could lead to over 15,000 deaths per year in the UK

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The US-UK trade deal on medicines signed this month is touted by the Labour government as a "world-beating deal," under which "tens of thousands of NHS patients will benefit". Far from the rosy picture, the deal could cause over 15,000 deaths a year, leaving the National Health Service with additional annual debt of up to £3 billion.

US President Donald Trump's global trade war threatened to impose tariffs on drug imports of up to 100 percent, including from UK firms, if the NHS did not pay higher prices to purchase US drugs and relocate and invest in US pharma companies. Pharmaceutical giants themselves threatened to withdraw investment from Britain if Keir Starmer's government did not agree to pay more for medicines.

On December 1, the UK agreed a deal which will increase the upper threshold for which it can buy new medicines by 25 percent. The deal allows for more expensive drugs to be approved such as breakthrough cancer medicines, but, without additional funding, will mean non branded medicines that millions rely on may not be affordable due to anticipated increase in NHS budgetary demands.

Business and Trade Secretary Peter Kyle claimed the deal "guarantees UK pharmaceutical exports worth at least £5 billion a year will enter the US tariff-free" for a three-year period.

The repayment rates on NHS drug spending will be lowered from 22.9 percent to 15 percent from 2026. This is the amount drug firms pay back to the NHS to ensure it does not overspend its allocated budget for branded medicines.

Karl Claxton, professor of health economics, and a National Institute for Health and Care Excellence (NICE) representative, responded to the deal stating: "If the NHS ultimately picks up the bill, we can expect 15,971 additional deaths and 352,000 years of life in good health to be lost each year."

He added: "This is a catastrophe for all NHS patients. We would expect the greatest impact on reduced survival for patients with cancer, circulatory, respiratory, and gastro-intestinal diseases, and significant impacts on the quality of life for patients suffering from respiratory, gastro-intestinal, endocrine, neurological, muscular skeletal and mental health problems.

"We can also expect considerable negative impacts on the economy. A conservative estimate would be a loss of £6 billion with larger long-term effects. We also know that this will have an impact on the Adult Social Care sector, increasing local authority costs by £130 million each year."

The estimate is based on modelling of NHS expenditure and outcomes over many years: increasing drug spending diverts resources from other types of care—general services, staff, diagnostics, treatments for common conditions—which could reduce survival rates or quality of life for many patients.

To force the deal, large pharmaceutical companies are holding the NHS to ransom. British-Swedish pharmaceutical giant AstraZeneca—with major shareholders including BlackRock, Vanguard, Capital Research, and Sweden's Investor AB—announced in October it was raising its planned investment in one of its US manufacturing sites to £3.3 billion as part of a commitment to bring critical medicine production into the country.

Together with Lilly and Merck, the company paused more than £1.3 billion of investment into Britain in the last year in its dispute over NHS value for money thresholds.

Merck scrapped a £900 million research and development centre it had started building in Britain. AstraZeneca then paused a £170 million investment in its Cambridge research site. This all came after the January cancellation of a planned new £390 million vaccine production centre in Speke, Liverpool.

Three petitions objecting the proposed plans were handed in to the government this October, signed by over 300,000 people.

Global Justice Now, one of the organisers of the petition, warned the government the deal would force the health service to "go broke". Diarmaid McDonald, director of Just Treatment, said, "This is daylight robbery of the NHS. It's a clear attempt to shake down the UK taxpayer for as much money as possible and will take precious funds away from other vital NHS care."

According to the *Guardian*, so far this year some of the biggest pharmaceutical corporations in the world have withdrawn about £2 billion in proposed investment from the UK. One has even threatened to withhold new medicines from NHS patients.

In his "General Terms for the U.S.-UK Economic Prosperity Deal" tariff pact agreed to in May 2025 with Trump, Starmer pledged to "improve the overall environment for pharmaceutical companies"—that is to funnel more money into the pockets of global corporations at the expense of patients' lives and well-being. Trump has now called in Starmer's offer, with the pharmaceutical giants sniffing an opportunity to boost their already vast profits.

Starmer has rejected repeated protests, opposition and research from the health and scientific community in order to cement his relations with the Trump administration. In November, experts from across health, academia, and civil society penned an open letter to Keir Starmer calling for an "urgent pause" on the plans.

The signatories stated they were "extremely concerned that the widely reported relentless pressure from multiple pharmaceutical corporations and the White House will lead to a deal that worsens patient outcomes, damages the NHS, and fails to serve the economic and scientific interests of the UK".

They continued: "Big Pharma is attempting to create a false equivalence between the prices the NHS pays and whether the UK is a good place to invest. The reality is there is no connection and pharmaceutical companies are using this as a cynical attempt to drain yet more billions from our NHS. This money should be invested into our healthcare systems, frontline workers and staff, and lifesaving research – not used to make rich shareholders richer."

For the Starmer government the US trade deal was an attempt to secure an advantage over Europe in its dealings with America. The pharmaceuticals scandal makes clear that any favourable treatment secured by Labour was won by selling the working class down the river.

Moreover, the further leeching of funds from the NHS by global corporations is being facilitated by Labour's privatisation programme. Health Minister Wes Streeting and Starmer have repeatedly denounced NHS workers, such as striking resident doctors, for opposing their agenda.

Streeting made clear his vitriolic hostility to public health funding keeping pace with historic norms by stating, "I'm not prepared to pour money into a black hole", and "we are not going to have a something-for-nothing culture in the NHS with Labour." The health service on which millions rely was "going to have to get used to the fact that money is tight".

Labour's 10-Year Plan—sold as making the NHS "fit for the future"—is a blueprint for cuts, soaring workloads, and accelerated privatisation. Streeting is already preparing to drown the NHS in debt by reviving the disastrous PFI [Private Finance Initiative] schemes used widely by the 1997 Blair Labour government, funnelling tens of billions more into private hands.

Claims made by Streeting that no NHS services will be cut to fund the zero-tariff pharmaceutical deal with the US are worthless lies. Workers must counter the race-to-the-bottom trade war of the ruling class with their own unified struggle against global capitalism—which subordinates all basic human needs to profits—waged on the basis of a socialist programme.

For more information visit NHS FightBack. Healthworkers contact us on the form below about the situation in your workplace.

To contact the WSWS and the Socialist Equality Party visit:

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