

Drugs and Corruption: Chronically Linked

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"In recent years, Big Pharma has forked out billions of dollars to settle scandals involving improper promotion of medicines in the United States. Now bribes paid to foreign doctors and other state employees are shaping up as the next major legal liability threat for the industry. A Reuters examination of U.S. Securities and Exchange Commission (SEC) filings by the world's top 10 drug companies has found that eight of them recently warned of potential costs related to charges of corruption in overseas markets.

"Over the past year eight of the world's top 10 drugmakers - Pfizer Inc, Novartis AG, Merck & Co Inc, Sanofi, AstraZeneca, GlaxoSmithKline Plc, Johnson & Johnson and Eli Lilly & Co - have all warned that they may face liabilities related to charges of corruption in numerous overseas markets.

"Investigations into potential wrongdoing by pharmaceutical firms cover activities in countries including Argentina, Brazil, Canada, China, Germany, Italy, Poland, Russia and Saudi Arabia, according to company filings. They also involve possible improper conduct of clinical trials, which are increasingly being run in lower-cost Asian or East European countries."

The above is quoted from a Reuters [special report](#) titled: "A Prescription for Corruption."¹ The report begins with the story of one of Serbia's most eminent doctors, a director of the Institute for Oncology and Radiology, who committed suicide after being charged "by the public prosecutor that he had taken bribes from international drug companies as incentives to use their products." He was "one of a group of 10 Serbia-based doctors and drug company officials charged in 2010 with taking, or offering, more than 500,000 euros (about \$660,00) in bribes to persuade the medics to use specific products."

This is not a new trend. In its 2008 "Bribe Payers Index," Transparency International lists "Pharmaceutical & medical care" as the sixth highest industry involved in "Bribery of Public Officials." The industry was again ranked sixth (in a tie) in the [2011 Bribe Payers Index](#).²

The motivation behind the bribes and corruption is simple. This year, pharmaceutical industry sales are expected to be just under a *trillion dollars*. Emerging markets, like Serbia, will account for over \$200 billion of that.

A Google search shows that the Reuters report was posted on at least 55 Web sites. (Believe it or not, I first found it on Medscape.) Conspicuously absent from the search are the major news sites. Is this a case in which advertising dollars trump editorial agendas?

What makes this report (and others) even more interesting is that they are actually being written and published at all. The report goes on to reveal that these drug companies have admitted to being involved in corruption for the past 10 years or more; information that has been largely absent from the media for over a decade.

In some respects, the consumer public seems to be finally waking up to the realities of the drug

machine overwhelming our world. Perhaps it is all of the side effects and lawsuits. And yet, each year, more and more people take more and more drugs.

Big Pharma's obvious goal is to get everyone in the entire world to take as many drugs as possible, regardless of age or the availability of more effective alternatives. They are involving politicians, researchers, government officials and medical doctors in their scheme. The fact that they have resorted to bribery gives clear indication of the levels they will stoop to in order to reach that goal.

References

1. "Special Report: A prescription for Corruption." Reuters, Feb. 28, 2012.
 2. Transparency International Bribe Payers Index 2011: <http://bpi.transparency.org/results/>.
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