Pharmaceutical markets in India: Questioning "monopoly"

Review by Stefan Ecks

*Pharmocracy: Value, Politics, and Knowledge in Global Biomedicine*

by Kaushik Sunder Rajan

Duke University Press, 2017

In *Pharmacacy*, Thomas Szasz (2001) writes against the appropriation of medicine as a tool of politics. Critical awareness should be fostered against all forms of medicalization and against state control of health. In *Pharmacacy*, William Faloon (2011) argues that the US healthcare market suffers from inflated prices because the FDA approval system is inefficient and needlessly restrictive. A radically free-market approach to pharmaceutical regulation and pricing would, he contends, lead to better health outcomes overall. In turn, Kaushik Sunder Rajan's *Pharmocracy* (2017) "coins" the same term to argue that multinational pharmaceutical companies should be prevented from establishing "hegemony": "Pharmocracy is a term I coin to refer to the global regime of hegemony of the multinational pharmaceutical industry" (p. 6). The "appropriation by health by capital" (p. 7) should be stopped. The state should not retreat, instead he wants "democratic politics to seize the state" (p. 242; which "state" is not quite clear).

Despite the general subtitle ("value, politics, and knowledge in global biomedicine"), the book is focused on India, the world's largest democracy and one of the world's largest producers of generic medications. Sunder Rajan's rephrasing of "pharmacacy" is a critique of multinational companies (MNCs) trying to establish market hegemony in India. Pharmocracy is less an examination of political processes than a critique of monopoly capitalism. The great monopolists here are multinational pharmaceutical companies. By "multinational," Sunder Rajan does not mean any company that operates in several countries with strategies for global market reach, but only companies based in "Euro-America." MNCs
that are headquartered in India are not considered multinational. This is in line with how the term "multinationals" is popularly used, yet it sits oddly with the fact that most of the big Indian pharmaceutical companies have also gone "multinational" in the past decade: Ranbaxy, DRL, Lupin, and Cadila have all expanded far beyond India. According to Sunder Rajan, Indian pharmaceutical companies exemplify a different logic of capital altogether, one that is not focused on monopoly but on a "postcolonial nationalist free market" (p. 154).

Sunder Rajan holds that the Euro-American MNCs' "end game" (p. 158) is eliminating all competitors within a particular market. Securing patents is only a means to an end. However, it is quite clear that "monopoly" is not the final goal either, but profits and shareholder value. Monopolies secured through patents are just one means to maximize profits, even in Euro-American markets. Recent high-profile controversies, such as Turing Pharmaceuticals' price hike of Daraprim (a generic drug), show that pricing can be greedy without hegemony or patents (Deangelis 2016). Sunder Rajan discusses the capitalist appropriation of health as if discovering a profit motive in a for-profit industry was a radical insight. Striving for "monopoly" through patents is also hardly a new trait of the pharmaceuticals industry, yet the book does not deal in depth with changing legal, political, and regulatory opportunities for companies to be able to establish monopolies.

Sunder Rajan has conducted a number of interviews for this book, yet most of the evidence for his two case studies (a clinical trial for a HPV vaccine and Novartis' attempt to get a patent for its anticancer drug Glivec) comes from published scholarship and grey literature, such as court documents.

The HPV vaccine story on Merck's Gardasil has already been featured widely, both in popular news media as well as in major science journals such as The Lancet, Science, and Nature (e.g., Larson, Brocard & Garrett 2010; Bagla 2013; Kumar & Butler 2013). However, Sunder Rajan's sources are not sufficiently referenced in the book. The vaccine trial story, while noteworthy as a study in how a clinical trial can fail, does not illustrate the "pharmocracy" argument well. What emerges is not the hegemonic rule of multinational companies in India, but a messy implementation of existing standards and, at worst, an attempt by MNCs to get their drugs inserted into public health programs. Sunder Rajan repeatedly insists that there was a "scandalous" misconduct in the vaccine trial, leading to the death of a number of participants, but then deflates his allegations by saying that no clear links between vaccines and these fatalities had ever been established (p. 79).
The Glivec story, which takes up two full chapters, has also been told before. That Novartis' court case for a Glivec patent in India was about anti-evergreening provisions in the Indian patent law (Section 3d), or that Novartis' goal was not to profit from Glivec sales in India but to protect its extremely lucrative sales in Europe and North America, has all been said a while ago (Ecks 2008). An interview with an Indian hematologist adds details to how Novartis' Glivec Patient Access Program (GIPAP) was implemented, but confirms what we already know about the Glivec case.

It is not without irony that *Pharmocracy* attacks corporations for making existing products look innovative in order to win market hegemony.

**References Cited**


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