# AFF ANSWERS

### 2AC---BioPharma UQ

#### BioPharma is already prepared to deal with a regulatory environment from the FTC and Congress – current labor and supply shortages coupled with geopolitical tensions created tensions in the sector

Glenn Hunzinger and Roel Van Den Akker, June 2022, (Glenn Hunzinger and Roel Van Den Akker, Glenn is a Partner, Pharmaceutical and Life Sciences Consulting Solutions Leader, PwC US, Roel is Partner, PwC US., June 2022, PwC, Pharmaceutical life sciences: Deals 2022 midyear outlook, https://www.pwc.com/us/en/industries/health-industries/library/pharma-life-sciences-deals-outlook.html, 7-5-2022) SCade

All of the stars are aligned for there to be a flurry of deals activity across all areas of the sector despite the slow start to the year so far. Many large pharma players are flush with cash (particularly those that have COVID-19 treatments in their arsenal), biotech valuations have been normalizing after years of a boom market and the 2025 patent cliff is rapidly approaching, all making for a strong deal environment. Given the broader labor changes, supply shortages and constantly changing supply chain strategies and operations, the focus on quality can be challenging to sustain. Yet the downside can have massive impacts on businesses, including the potential inability to manufacture products. The long litany of macroeconomic and regulatory headwinds has CEOs looking for transactions that are easily integrated and will get cash off their balance sheet as inflationary pressures mount. Pharmaceutical & life sciences deals outlook Increased scrutiny from the US Federal Trade Commission (FTC) around larger deals could mean that 2022 will be a year of bolt-on transactions in the $5 to $15 billion range as pharma companies take multiple shots on goal in order to make up for revenues lost to generic competition in the remainder of the decade. However, don’t rule out the potential for larger deals ⁠— consolidation is good for the health ecosystem and drives broader efficiency. Expect to see big pharma picking up earlier stage companies to try and fill the pipeline gaps that are likely to start in 2024. While market conditions suggest bargain prices for biotech are possible, recent transactions indicate that pharma companies are still paying significantly above current trading prices (ranging from approximately 50 to 100% of current trading), but below the peak valuations of recent memory. In the first few months of the year, semi-annualized deal value was down 58% from the same period last year, with companies investing just $61.7 billion so far. Only 137 deals were announced during that time, compared to 204 in the year-prior period. Talk of drug pricing regulations continues in Washington as Congress bats around a pared down version of the Build Back Better plan. Expect some of that tension to ease in the fall if a new Congress takes on a different agenda. Other areas of the sector like medical devices face similar headwinds from regulators, and continue to deal with a greater impact from semiconductor shortages. Even though semi-annualized deal value in the medical device space is down 85% from the same period the prior year, expect these companies to remain focused on M&A as the subsector searches for alternative forms of revenue ⁠— particularly from new consumer-centric technologies. Macroeconomic headwinds and geopolitical tensions have created volatility in spending at CDMOs and CROs, limiting their willingness to deploy capital as the uncertainty persists.

#### The Pharma subsector isn’t doing any better – but their main profits are drugs

Glenn Hunzinger and Roel Van Den Akker, June 2022, (Glenn Hunzinger and Roel Van Den Akker, Glenn is a Partner, Pharmaceutical and Life Sciences Consulting Solutions Leader, PwC US, Roel is Partner, PwC US., June 2022, PwC, Pharmaceutical life sciences: Deals 2022 midyear outlook, https://www.pwc.com/us/en/industries/health-industries/library/pharma-life-sciences-deals-outlook.html, 7-5-2022) SCade

Pharma

Deal activity in the pharma space is down by 30% on a semi-annualized basis. Yet, deal values have dropped about 50% in that time period, reflecting pharma’s appetite for smaller deals around a single asset or bolt-on deals, as the industry attempts to stay below the radar of regulators at the FTC. Like most other sectors, pharma continues to experience labor shortages, supply chain snags and higher input costs ⁠— particularly around packaging ⁠— due to inflationary pressures. In an effort to stay nimble in a rapidly changing environment, pharma companies are re-examining capital allocation strategies, as well as considering alternative options for their supply chains. Even as uncertainty persists, expect pharma to focus on inorganic growth ahead of some of the world’s largest drugs going off patent later this decade.

#### Biotech peaked and is coming down now – HARD

Glenn Hunzinger and Roel Van Den Akker, June 2022, (Glenn Hunzinger and Roel Van Den Akker, Glenn is a Partner, Pharmaceutical and Life Sciences Consulting Solutions Leader, PwC US, Roel is Partner, PwC US., June 2022, PwC, Pharmaceutical life sciences: Deals 2022 midyear outlook, https://www.pwc.com/us/en/industries/health-industries/library/pharma-life-sciences-deals-outlook.html, 7-5-2022) SCade

Biotech

The XBI biotechnology index hit a peak in January 2021, outpacing the S&P 500, but has been on the decline since with more than 60 biotechs announcing layoffs in 2022 so far and several announcing they are closing their doors for good. There were 104 biotech IPOs in 2021 that raised nearly $15 billion in funds, while 2022 has seen only 14 IPOs raising less than $2 billion collectively. While biotech executives have been slow to accept lower valuations, Pfizer’s recently announced acquisition of Biohaven and GlaxoSmithKline’s announced deals with Sierra Oncology and Affinivax suggest more companies are willing to explore alternative means of financing as capital becomes harder to come by.

#### Biopharma is doing poorly now – Congress and rapidly changing regulatory environment – the aff is a drop in the bucket

Investors Business Daily, 22, (Investor'S Business Daily, 7-1-2022, Investor's Business Daily, Biotech Stocks To Watch: Track The Latest News On Pharmaceutical Stocks And Drug Companies, https://www.investors.com/news/technology/biotech-and-pharma-industry-and-stock-news-merk-bristol-myers-amgn-gilead/, 7-5-2022) SCade

One minute Dow Jones industrial average component Merck (MRK) might be doing battle with fellow drugmaker Bristol Myers Squibb (BMY) over drugs that can ward off cancer. The next, biotech giants like Amgen (AMGN) and Sanofi (SNY) are tussling in court over the fate of cholesterol-busting drugs. Meanwhile, a company like Gilead Sciences (GILD) might be raked over the coals in Congress for charging $1,000 a day to treat hepatitis. It's a brave — and contentious — new world for pharmaceutical and biotechnology companies. It's a realm where science is trying to develop landmark medicines that cure cancer. Think Novocure (NVCR), hepatitis and other life-threatening illnesses. All the while it does a delicate dance with Wall Street and regulators — balancing public health issues with the demands of shareholders. Investors will find it tricky to navigate the sector, as companies can rise and fall at the drop of a hat.

#### The merge of biotech and big pharma hurts innovation

Tracy Staton, Aug 30, 2016 10, Tracy Staton is the editor of FiercePharma and FiercePharmaMarketing. She has been a freelance writer for 8 years. Before that, she served as editor of the Dallas Business Journal, editor of Texas Business magazine, and a senior editor at American Way, the inflight magazine of American Airlines. She is based in Vermont and can be reached at tracy@fiercemarkets.com, or find her on LinkedIn."It's official: Pharma mergers hurt innovation, and not only for the dealmakers", Fierce Pharma, https://www.fiercepharma.com/pharma/it-s-official-pharma-mergers-hurt-innovation-and-not-only-for-dealmakers, 7-4-2022, //ms

Pharma mergers might boost short-term profits. But long-term value? Think again, because everyone knows that big mergers hurt innovation. That’s the claim, at least, repeated by critics every time a major pharma combo hits the news. Problem is, those complaints tend to be based on anecdotal evidence, from scientists who’ve seen their work hit the slough of despond as one big R&D operation integrated with another. But now, the Harvard Business Review has some [empirical](https://hbr.org/2016/08/research-innovation-suffers-when-drug-companies-merge) [evidence](https://hbr.org/2016/08/research-innovation-suffers-when-drug-companies-merge). Two researchers from the Institute for Competition Economics in Germany set out to address drug mergers from an antitrust perspective. All well and good for competition watchdogs to look at overlaps in companies’ marketed products and pipelines, they figured. What about the drugs that might have The researchers analyzed 65 pharma deals, comparing the participating companies before and after they combined. They also analyzed companies that were developing drugs in similar therapeutic areas, but hadn’t merged. “Our results very clearly show that R&D and patenting within the merged entity decline substantially after a merger, compared to the same activity in both companies beforehand,” the authors, Justus Haucap and Joel Stiebale, wrote in the HBR. That’s to be expected, the authors posit, because merger-minded companies often target rivals with similar pipeline assets, to gain strength in particular drug markets. But here’s what else the authors found: “On average, patenting and R&D expenditures of non-merging competitors also fell--by more than 20%--within four years after a merger. Therefore, pharmaceutical mergers seem to substantially reduce innovation activities in the relevant market as a whole." Haucap and Stiebale’s [paper](https://ideas.repec.org/p/zbw/dicedp/218.html) includes patent counts and R&D spending numbers, and they conclude that “innovation output” by the merged company decreases, on average, by more than 30%. Among the merged company’s competitors, output declined by 7%, on average, they found. The men’s research “is the first to show that there are follow-on effects across the industry,” [wrote](http://blogs.sciencemag.org/pipeline/archives/2016/08/24/drug-mergers-hurt-in-every-direction-save-one) Derek Lowe at In The Pipeline, which has sliced and diced pharma M&A for years. “Inside the merged companies, there’s a great deal of disruption, as many readers here can testify,” Lowe wrote. “But across the industry as a whole, things get less competitive the fewer players there are and the fewer the approaches being tried.” As for the business effects? Profitability increased post-merger, for the merged companies and for their competitors, too. For the merged company, the profits may depend on cost cuts; in integrating, the post-merger company “decreases its scale” compared to the two merger partners, pre-acquisition. For “non-merging rivals,” profits tended to grow on increased sales. “What we have, then, is probably a perverse incentive--companies can improve their numbers by doing mergers and acquisitions, but that very activity hurts their long-term prospects and those of the entire industry,” Lowe observes. McKinsey & Co. analysts [emphasized](http://www.fiercepharma.com/m-a/thumbs-up-or-down-on-megamergers-depends-on-your-point-of-view) the “shareholder value” effects of megamergers in a 2014 study, and they found that, reductively speaking, the deals worked. Lowe picked apart that research, as did ex-Pfizer R&D chief John LaMattina, who wrote up his own [rebuttal](http://www.forbes.com/sites/johnlamattina/2014/02/24/mckinseys-view-that-pharma-megamergers-work-is-short-sighted/?partner=yahootix) in Forbes, enumerating the many ways repeated megamergers sap the life out of research, as focus and energy go into logistical decisions, layoff worries, and the like--and away from science.\

#### Trends prove that the chemical industry’s fate is sealed

Ge Digital, 2021, (Ge Digital, 2021, General Electric, The Future of the Chemical Industry, https://www.ge.com/digital/blog/future-chemical-industry, 6-25-2021) SCade

Four chemical industry trends to watch There are four broad trends currently defining the chemical industry, each affecting a different element of business, from operations through production and compliance.

Mergers and acquisitions: The last couple of years saw notable consolidation in the form of multiple mergers and acquisitions. A result of slow overall industry growth and a desire to consolidate resources and capabilities in the areas with the most promising growth, M&A is also being driven by growing pressure to gather the resources needed for digital transformation. Mega mergers are radically altering the top of the industry­­–a fact that has not escaped the attention of farmers, legislators, and regulatory bodies.

A new regulatory environment: Governments and regulatory bodies around the world are overhauling chemical regulations for the first time in decades. Both environmental and industry groups note that these changes could signal a kind of détente between the chemical industry and its watchdogs over the next few years. In other parts of the world, however, the relationship between the industry, activist groups, and regulatory bodies remains more acrimonious.

Investment: After decades of taking a back seat to emerging markets, North America saw a significant wave of investments in new multi-billion-dollar production facilities from a number of chemical manufacturers. Factors involved in this growth include the considerable size and strength of the regional market, and favorable political and regulatory environments in American states with significant chemical production segments.

Digital transformation: Rising demand and growing competition have increased the pressure on all chemical manufacturers to adopt advanced technologies and transform their operations and structures. Improved efficiencies, safety, and reliability can be realized through implementation of advanced technology–all of which can reduce costs for the manufacturer. These transformations are also enabling new business models that could bring chemical manufacturers closer to their suppliers, their direct customers, and even their end customers.

### 2AC---BioPharma Link D

#### still can use CRISPR for other editing and advances.

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CRISPR/Cas9 can be turned to many other uses than editing the human germline, however. One of the most extraordinary is the possibility of using it in “gene drives” that could be make genetic modifications to sexually reproducing populations of microorganisms, animals, or plants. Sexually reproducing organisms have two sets of gene—one from each parent. A gene drive is a set of genes that, if it is inserted into one set, will get itself copied to the appropriate location on the other set, replacing any competing genes and also ensuring that all of the organism’s offspring receive the drive. Within those offspring, the drive will again replace any competing genes, ensuring that all of the next generation receives the gene. If a species reproduces rapidly, it might be possible to quickly alter the whole species. Mosquitoes could be altered so that they can no longer transmit malaria or dengue, for example.

#### no link- ban doesn’t apply to research uses or somatic editing.

Lander, et.al. 2019 Eric S. Lander , Françoise Baylis , Feng Zhang , Emmanuelle Charpentier , Paul Berg , Catherine Bourgain , Bärbel Friedrich , J. Keith Joung , Jinsong Li , David Liu , Luigi Naldini , Jing-Bao Nie , Renzong Qiu , Bettina Schoene-Seifert , Feng Shao , Sharon Terry , Wensheng Wei & Ernst-Ludwig Winnacker 13 March 2019 Adopt a moratorium on heritable genome editing https://www.nature.com/articles/d41586-019-00726-5

To be clear, our proposed moratorium does not apply to germline editing for research uses, provided that these studies do not involve the transfer of an embryo to a person’s uterus. It also does not apply to genome editing in human somatic (non-reproductive) cells to treat diseases, for which patients can provide informed consent and the DNA modifications are not heritable.

### 2AC---BioPharma IL Defense

#### BioPharma bad – high profits are a result of price gouging drugs and tax credits. Innovation doesn’t happen in big pharma now.

Abbey Meller and Hauwa Ahmed, 8-30-2019, Abbey Meller is an organizing associate for Democracy and Government at the Center for American Progress. Hauwa Ahmed is a research assistant for Democracy and Government at the Center. "How Big Pharma Reaps Profits While Hurting Everyday Americans", Center for American Progress, https://www.americanprogress.org/article/big-pharma-reaps-profits-hurting-everyday-americans/, 7-3-2022, //ms

It’s no secret that the Trump administration has fostered a culture of corruption in which special interests and big donors advance their interests at the expense of everyday people. Perhaps no policy area exemplifies this corruption more than the issue of drug pricing. President Trump has long promised to stand up to the pharmaceutical industry and lower prescription drug prices, but he has avoided taking serious action to drive down prices while at the same time filling top spots in his administration with industry insiders. This administration’s culture of corruption, which continues a decadeslong practice of political pandering to the pharmaceutical industry, carries a real cost; Americans spent $535 billion1 on prescription drugs in 2018, an increase of 50 percent since 2010. These price increases far surpass inflation, with Big Pharma increasing prices on its most-prescribed medications by anywhere from 40 percent to 71 percent from 2011 to 2015.2 Moreover, pharmaceutical companies receive substantial U.S. government assistance in the form of publicly funded basic research and tax breaks, yet they continue to charge exorbitant prices for medications. But the issue goes beyond cost. In America, more than 1 million individuals suffer from Type 1 diabetes3, a condition where the body cannot make insulin, which is essential for getting glucose (also known as blood sugar) into cells from the bloodstream. Without insulin, glucose accumulates in the bloodstream4, causing dangerously high blood sugar levels. Among all Americans suffering from diabetes, at least 1 in 45 have said that they engaged in insulin rationing—a tactic of using less insulin than is needed in order to make the doses last longer—as a direct result of the skyrocketing price of the drug. A vial of insulin, which is the only life-sustaining option for Type 1 diabetics, retails at around $300.6 A 2018 study commissioned by the Congressional Diabetes Caucus found that the price of insulin has doubled since 20127; in the 10 years prior, the price of insulin nearly tripled. Despite the dangers of insulin rationing, which can lead to diabetic ketoacidosis, a fatal condition, many Americans have no other choice. That was the case for Antroinette8, whose daughter was rationing insulin due to the high cost and died at the age of 22 as a result. Insulin facts Access to insulin for patients with Type 1 diabetes is a matter of life or death.9 While insulin has existed since the1920s10, the price since then has skyrocketed, especially in recent years. Prices for insulin increased by 197 percent between 2002 and 2013, from $4.34 per milliliter to $12.92 per milliliter.11 There are three insulin manufacturers serving the United States: Eli Lilly and Co., Novo Nordisk A/S, and Sanofi SA. Eli Lillyannounced12 in March 2019 that it would begin selling a generic version of its Humalog insulin at half the price. The medication, known as lispro, will cost $137.35 per vial. To compare pricing, a 2018 study13 estimated that the cost of making a year’s worth of insulin for one patient ranges from $78 to $133. Ahead of its hearing on drug pricing in February 2019, the U.S. Senate Committee on Finance sent aletter14 to Eli Lilly asking why insulin is priced so astonishingly high. A vial of NovoLog, one type of insulin, costs15 anywhere from $14 to $300 in the United States but only $48 in Singapore, $14 in India, $6 in Austria, and $0 in Italy. American taxpayers fund basic research Billions of taxpayer dollars go into the creation and marketing16 of new drugs. The Los Angeles Times reports that, “Since the 1930s, the National Institutes of Health has invested close to $90017 billion in the basic and applied research that formed both the pharmaceutical and biotechnology sectors.” Despite taxpayers’ crucial investment, U.S. consumers are increasingly paying more for their prescription drugs. A 2018 study18 on the National Institute of Health’s (NIH) financial contributions to new drug approvals found that the agency “contributed to published research associated with every one of the 210 new drugs approved by the Food and Drug Administration from 2010–2016.” More than $100 billion in NIH funding went toward research that contributed directly or indirectly to the 210 drugs approved during that six-year period. The NIH Research Project Grant (R01)19—which supports health-related research—was by far the most common kind of grant used to fund the science that supported the new drugs. In all, NIH gave out nearly 118,00020 R01 grants related to those drugs from 2010 to 2016. Federal perks for Big Pharma add up Pharmaceutical companies also benefit from research and development tax credits. The federal R&D tax credit was first introduced in 1981 to encourage private sector investment in pioneering research.21 This tax credit is available to businesses that attempt to develop new, improved, or technologically advanced products or trade processes.22 In 2015, former President Barack Obama signed into law the Protecting Americans from Tax Hikes Act23, which made these tax credits permanent and extended them to small businesses and startup companies. Pharmaceutical industries also receive a tax deduction for their marketing and advertising expenses. According to a report in the Journal of the American Medical Association, “From 1997 through 2016, medical marketing expanded substantially, and spending increased from $17.7 to $29.9 billion,24 with direct-to-consumer advertising for prescription drugs and health services accounting for the most rapid growth, and pharmaceutical marketing to health professionals accounting for most promotional spending.” The report also found that from 1997 through 2016, “the number of advertisements … increased from 79,000 (including 72,000 television commercials) in 1997 to 4.6 million (663,000 television25 commercials) in 2016.” Big Pharma’s drug pricing maximizes profits Despite these taxpayer subsidies, prescription drug prices are nonetheless increasing at an alarming rate. In 2019, price increases from drug manufacturers affected more than 3,40026 drugs. For example, Allergan, a major pharmaceutical manufacturer, raised prices on 51 drugs, just more than half its portfolio. Some medications that Allergan manufactures saw a 9.5 percent jump in cost, while others saw a 4.9 percent increase in cost.27 Teva Pharmaceutical Industries Ltd., the largest generic drug manufacturer in the world, increased its drug prices by more than 9 percent.28 These sharp increases in price occur as companies continue to report millions of dollars in revenue. In 2018, Allergan reported $15.8 million29 in revenue, while Teva Pharmaceuticals reported $18.8 million30 in revenue. Pharmaceutical companies’ profit margins receive significant bumps when they launch new drugs, specifically specialty drugs, used to treat life-threatening conditions. These drugs often cost more than most Americans can afford. Pharmaceutical companies have stated that the prices are high because the drugs are difficult to manufacture. In 2013, for example, industry giant Gilead Sciences launched Sovaldi, a hepatitis C drug, at $1,000 per pill31, or $84,00032 per treatment, which could last 12 to 24 weeks.33 After an 18-month investigation into the company’s pricing, the Senate Finance Committee concluded that Gilead had pursued a marketing and pricing strategy designed to “maximize revenue with little concern for access or affordability.”34 Drug companies also benefit from patents, which give them monopoly power for their on-patent products. These patents ensure that prices remain high by reducing competition. Drug patents last for 20 years after the filing date. Pharmaceutical companies have also employed tactics such as evergreening and thicketing to prolong a drug’s exclusivity. When evergreening, pharmaceutical companies make certain modifications to a drug such as changing its35 chemical composition slightly or making an external change as minor as adding a stripe to a pill36 in order to preserve their patents. A 2018 study in the Journal of Law and the Biosciences found that 78 percent37 of new drug patents awarded in the past decade went to drugs that already existed. Seventy percent 38 of the nearly 100 bestselling drugs extended their exclusivity protections at least once, and 50 percent extended their patents more than once. The second tactic—thicketing—involves flooding the U.S. Patent and Trademark Office and the courts with excessive patents and applications to make it difficult for competing firms to secure patents. These tactics help preserve pharmaceutical companies’ monopolies and ensure that drug prices remain uncompetitive and thus less affordable for everyday Americans. While consumers continue to pay the price of this market manipulation, a Government Accountability Office (GAO) report on the pharmaceutical industry found that these unfair practices are significantly enriching manufacturers. As the report stated, “Among the largest 25 companies, annual average profit margin fluctuated between 15 and 20 percent.”39 The GAO contextualizes these profits by comparing the pharmaceutical industry’s profits with those of its counterparts, stating that “the annual average profit margin across non-drug companies among the largest 500 globally fluctuated between 4 and 9 percent.” In 2018 alone, the CEOs of major pharmaceutical companies Allergan, Johnson & Johnson, and Pfizer Inc. made a total of $90 million.40 Meanwhile, according to a CBS News report, Americans spent $535 billion41 on prescription drugs in 2018—an increase of 50 percent since 2010.42 As pharmaceutical industry profits increase43, everyday Americans—whose tax dollars play a critical role in funding the research and development of these medications—are not receiving anything close to a fair return on their investment. A recent Pew Charitable Trusts study found that Americans spent $65.8 billion44 out of pocket in 2016 for retail prescription drugs, up from $59.5 billion in 2012. The high cost of prescription drugs is a significant driver of medical debt45 because Americans are increasingly reliant on medication to manage long-term chronic conditions.46 Additionally, the high cost of prescription drugs has forced many Americans to take drastic measures, including foregoing taking their medications as prescribed or traveling abroad in order to save on medications. A 2019 Centers for Disease Control and Prevention study found that 11.4 percent47 of adults aged 18 to 64 did not take their prescription drugs as prescribed in order to reduce how much they spent on their medications. And, as NPR recently reported, “The U.S government estimates that close to 1 million48 Americans in California alone go to Mexico annually for health care, including to buy prescription drugs.” In May 2019, a group of Americans49 living with Type 1 diabetes traveled to Canada to purchase insulin and call on the U.S. government to regulate the cost of lifesaving drugs. The costs associated with traveling abroad make it logistically and financially impractical for most Americans. Further, traveling abroad presents certain health risks given that some countries have lax drug certification standards compared with FDA standards. President Trump’s broken promises on drug pricing In an interview with Time magazine ahead of being chosen as its Person of the Year in 2016, Trump said, “I’m going to bring down drug prices. I don’t like what’s happened with drug prices.”50 He promised to bring Americans’ drug spending down to $0 by negotiating drug prices.51 Trump made grandiose promises on drug pricing but almost three years later has only managed to deliver a handful of half-measures, illustrating his administration’s lack of commitment to lowering drug prices. One of Trump’s proposals from his so-called presidential blueprint52 included eliminating some rebates paid by drug companies53 that hide the true cost of drugs. However, the Congressional Budget Office estimated that the measure would actually increase federal spending on Medicare and Medicaid by $177 billion.54 The Trump administration also announced a regulation that would require TV ads for drugs to include the list price.55 Some experts believe this policy will be ineffective56 at making pharmaceutical companies lower list prices or end price hikes for drugs and will only confuse or mislead consumers rather than help them.57 These half-measures, combined with Trump surrounding himself with high-level Big Pharma officials, clearly communicates that the administration is not on track to lower drug costs for Americans. Congress has done little to address the problem of high drug prices. Instead, many members continue to enjoy cozy relationships with the pharmaceutical industry. The industry spent more than $62 million in the 2016 congressional elections—the most it has ever spent on political campaigns.58 The massive influx of campaign cash benefited members of both parties, including those that sit on committees with jurisdiction over drug pricing.59 Big Pharma’s investment has paid off as recently as July 2019, when the Senate Finance Committee failed to pass an amendment on the Prescription Drug Pricing Reduction Act of 2019, which would have allowed Medicare to negotiate drug prices with manufacturers.60 Medicare’s ability to negotiate on drug prices, which is currently prohibited by law, “would provide the leverage needed to lower drug costs.”61 Despite his promise to be tough on Big Pharma, President Trump has proven to be a friend to the industry. Big Pharma officials have filled at least 1662 current or former positions in the Trump administration, and many of Trump’s top health advisers have been industry insiders or close to the pharmaceutical companies. Trump’s first secretary of health and human services, former Rep. Tom Price (R-GA), was a longtime friend of the industry63 in Congress, where he not only pushed Big Pharma’s agenda but also benefited from it financially.64 Price, who drew scrutiny for more than $300,000 in health care stock trades, was eventually forced to resign in 201765 as a result of his illicit use of private jets on the taxpayers’ dime. In 2017, Trump nominated Joe Grogan66 to a top position at the U.S. Office of Management and Budget. Grogan spent five years as a lobbyist for Gilead—the pharmaceutical company that is infamous for its sky-high prices on a cure for hepatitis C.67 Since joining the administration, Grogan has led drug-pricing proposals and participated in Trump’s Drug Pricing and Innovation Working Group.”68 However, the working group has proposed pharma-friendly measures such as implementing monopoly rights outside of the United States, speeding up approval from the FDA for new drugs, and eliminating price cuts for hospitals in impoverished areas. President Trump chose to replace Price with Alex Azar, the former president of Eli Lilly—one of the companies that is working to keep drug prices high while everyday Americans suffer—to oversee his efforts to address drug pricing as secretary of health and human services. In 2018, pharmaceutical companies spent more than $283 million in lobbying dollars69, with Eli Lilly spending just less than $6.8 million in 2018.70 While Azar, Trump’s chief health adviser, was president of Eli Lilly, the company drastically increased insulin prices. Eli Lilly is currently defending itself against a class-action lawsuit71 accusing the company of colluding with pharmacy benefit managers—individuals who negotiate drug pricing and availability with drug companies for the government and other insurance plans—to increase prices. Big Pharma and pharmacy benefit managers have been playing a blame game72 while lawmakers—who have held several hearings in the U.S. House of Representatives73 and the U.S. Senate74—try to find the source of America’s drug pricing problem. Given the sway that Big Pharma has with the administration, the industry has no plans to reduce prescription drug prices or reverse past price gouging. For his part, President Trump tried but failed to pass the American Health Care Act of 2017, which would have hurt millions of Americans while benefiting the pharmaceutical industry, among others. However, he was successful in signing into law a new tax bill that lowered the corporate tax rate by 14 percent, allowing pharmaceutical companies, including those with ties to the Trump administration, to save a total of $76 billion.75 After the tax law was enacted, Eli Lilly received a tax cut of nearly $4.5 billion on offshore profits.76 Instead of using these tax savings to lower drug prices, big pharmaceutical companies such as Eli Lilly together used $45 billion of their total tax savings77 to benefit shareholders via stock buyback programs. After President Trump helped Eli Lilly save billions, Azar, the company’s top executive, was confirmed to head the U.S. Department of Health and Human Services78 at the beginning of the following year. Conclusion Although the Trump administration keeps promising to lower drug prices, drug costs continue to climb as Americans suffer and pharmaceutical companies profit and their CEOs line their pockets. The government-funded research and major tax benefits that these pharmaceutical companies enjoy help them stay profitable. Meanwhile, they continue to hike up the costs of drugs, particularly life-sustaining drugs such as insulin. Big Pharma can play this game indefinitely, benefiting from this culture of corruption, using allies in the administration and in Congress to grow their profit margins while everyday people suffer. But there are steps lawmakers can take to reduce the influence of special interests, including Big Pharma.79 For example, lobbyists are currently allowed to fundraise for candidates for federal office—and many of them provide far more financial support beyond the $2,800 per candidate limit by hosting fundraising events and bundling contributions. Banning lobbyists from fundraising80 for candidates would reduce special-interest influence over the legislative process. Another way to limit corrupting conflicts of interest is to ban members of Congress from accepting campaign donations from entities under the jurisdiction of the committees on which the serve. It is understood that conflicts can easily arise from committee contributions, which explains why 88 percent of voters support this prohibition.81 Additionally, Washington’s infamous revolving door between private industry and government must be closed. Proposals to do so include a lifetime lobbying ban on members of Congress and a five-year lobbying ban on senior congressional staffers.82 As Americans are caught trying to decide whether to pay for rent or medicine, pharmaceutical companies continue to reap government benefits. Reducing drug prices and the costs that everyday people must pay is not possible without fixing the broken system in Washington.

### 2AC---Food Defense

#### No food wars

Vestby et al. 18 – Jonas, Doctoral Researcher at the Peace Research Institute Oslo, Ida Rudolfsen, doctoral researcher at the Department of Peace and Conflict Research at Uppsala University and PRIO, and Halvard Buhaug, Research Professor at the Peace Research Institute Oslo (PRIO); Professor of Political Science at the Norwegian University of Science and Technology (NTNU); and Associate Editor of the Journal of Peace Research and Political Geography. “Does hunger cause conflict?”, <https://blogs.prio.org/ClimateAndConflict/2018/05/does-hunger-cause-conflict/>, 05-18-2018

It is perhaps surprising, then, that there is **little scholarly merit** in the notion that a short-term reduction in access to **food increases the probability that conflict** will break out. This is because to start or participate in violent conflict requires people to have both the means and the will. Most people on the **brink of starvation are not in the position to resort to violence**, whether against the government or other social groups. In fact, the urban middle classes tend to be the most likely to protest against rises in food prices, since they often have the best opportunities, the most energy, and the best skills to coordinate and participate in protests.

Accordingly, there is a **widespread misapprehension** that social unrest in periods of high food prices relates primarily to food shortages. In reality, the sources of discontent are considerably **more complex** – linked to **political structures**, **land** ownership, **corruption**, the desire for **democratic reforms** and general **economic problems** – where the price of food is seen in the context of general increases in the cost of living. Research has shown that while the international media have a tendency to seek simple resource-related explanations – such as drought or famine – for conflicts in the Global South, debates in the local media are permeated by more complex political relationships.

#### Worst case, fast government response stops collapse.

OECD ’21 [October 19; OECD, “Keep calm and carry on feeding: Agriculture and food policy responses to the COVID-19 crisis,” <https://www.oecd.org/coronavirus/policy-responses/keep-calm-and-carry-on-feeding-agriculture-and-food-policy-responses-to-the-covid-19-crisis-db1bf302/>;]

Despite significant disruption to the agriculture and food supply chains, particularly in the first half of 2020, most sector shocks were absorbed rapidly, with trade and markets recovering during the year. Average gross farm receipts for OECD and emerging economies actually increased in 2020, and the sector was the best performing or least affected economically in several countries. At the same time, restricting measures impacted the food security of many low income or unemployed consumers.

This relative economic resilience of the agriculture and food sector was largely due to sector specific policy measures undertaken by governments in response to the COVID-19 pandemic and associated restrictions. Many governments moved swiftly to keep agricultural supply chains functioning, including by designating agriculture and food as an essential sector and by ensuring international co-operation to limit trade disruptions.

An estimated 776 unique policy response measures were adopted by governments of 54 OECD and emerging economies in 2020. These measures were widely diverse, highlighting the breadth and responsiveness of public actions to address the impact of the crisis. Close to 20% of the total were urgent measures, adopted in order to contain the pandemic while keeping food and agriculture supply chains working. Just under 70% of measures took the form of temporary relief, seeking to contain the impact of the crisis on agriculture and food sector actors, and should be phased out as the crisis recedes. Most of the remaining measures (10%) were “no regrets” policies with the potential to improve the long-term resilience of the agro-food sector, and which have the potential to be scaled up further. At the same time, 11% of measures had the potential to distort markets or be harmful to the environment.

A first assessment of budgetary expenditures in response to the COVID-19 crisis suggests that a minimum of USD 157 billion was earmarked in funding or offered in financing means to the sector in 2020, including USD 75 billion in OECD countries and USD 82 billion in emerging economies. Actual disbursements have so far been lower, partly reflecting the overall resilience of agriculture to the COVID-19 shock, and the fact that recovery packages in several countries include multi-year investments.

#### --Ukraine thumps

Welsh 02-26 – Caitlin, Director, Global Food Security Program. “Putin’s War of Choice Threatens Food Security Worldwide”, Center for Strategic and International Studies, <https://www.csis.org/analysis/putins-war-choice-threatens-food-security-worldwide>, 02-26-2022

The blood on Putin’s hands is not only from Ukraine and Russia, but from countries around the world that rely on imports for their food security. The consequences of Putin’s war will play out in regions already experiencing acute food insecurity and in food-importing countries that are most vulnerable to supply shocks and price increases. Buried in today’s headlines, an underreported reality is that global food insecurity is already at a 10-year high. Prior to Russia’s invasion of Ukraine, the follow-on effects of the pandemic—lost jobs and wages, supply chain disruptions, food price volatility—pushed the number of food-insecure people to record levels. This spike in food insecurity happened despite ample global food stocks and record-low fuel prices. Russia’s invasion has put global stocks of grains and oilseeds into question and caused energy prices to soar, throwing fuel onto the fire and risking pushing food insecurity skyward. Shocks to global agriculture markets can reverberate worldwide. In 2007 and 2008, decreases in production from major producers—Australia, Myanmar, Russia, and others—led to price increases and riots from Haiti to Cote d'Ivoire to nearly 40 other countries. Today, decreases in the global stocks of wheat and other grains and oilseeds from Ukraine and Russia could exacerbate ongoing crises in Afghanistan, Syria, Ethiopia, and other hotspots and aggravate instability in Egypt, Lebanon, and Syria. Among Ukraine’s major wheat buyers, almost half already experience acute food insecurity; particularly vulnerable to a decrease in Russian wheat supply are its purchasers across Asia and Africa.

#### Increased food production is bad – more likely to cause conflict

Ore Koren, 16, (Ore Koren, Ore Koren is a PhD candidate at the University of Minnesota and a Jennings Randolph Fellow at the United States Institute of Peace., 11-23-2016, Washington Post, Food scarcity causes conflicts — but so can food abundance. Here’s why., https://www.washingtonpost.com/news/monkey-cage/wp/2016/11/23/food-scarcity-causes-conflicts-but-so-does-food-abundance-heres-why/, 6-28-2021) SCade

How can an abundance of food lead to war? Food scarcity, however, is only one aspect of food security. Whether people have easy access to food resources is also important. So even in countries where plenty of food is available, a large share of the population might still go hungry. As Nobel Laureate Amartya Sen notes, “Starvation is the characteristic of some people not having enough food to eat. It is not the characteristic of there being not enough food to eat.” Grievances over food and the necessity to secure access to food resources can motivate marginalized groups to participate in rebellions and wars. A number of scholars are researching how inequitable access to food affects violence within the state. As Ben Bagozzi and I show in a recent paper, armed actors worldwide are motivated to fight over local food resources. Here’s why these conflicts tend to happen in regions with more food crops, not less. For rebel groups, securing — and controlling — food resources is vital for the insurgency to advance. And when the government is slow or unable to supply combat rations, state forces also may be forced to extract food supplies from the local population, So scarce food resources in a region locked in conflict act as both fuel and reward for hungry combatants. Access to more local food resources, especially in the case of rebel groups, can also be used to attract recruits, as happened in Sierra Leone and Somalia. Regions where wheat and barley are grown are also an important source of support for the Islamic State in Iraq and Syria. The focus on how the demand for food resources influences armed conflict complements the research done on the effects of food scarcity. It also explains why agricultural areas see more violence. In these regions, individuals live largely on locally grown food. If the government’s safety nets are mismanaged or weak, those who control access to food can more easily recruit individuals and operate for a longer period of time. And this also explains why there is an uptick in violence during times of more rainfall — for instance, in sub-Saharan Africa. By providing armed groups with an added motivation to fight as well as the ability to expand their numbers and strength, local food security can therefore shape global conflict patterns.