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**Vaccines, people and profit**

Humanitarian campaigners who say that Covid-19 vaccines are for the people and not for profit have strong logic behind it as the R&D for these vaccines has largely been funded by the public sector through taxpayers’ money.

But the pharmaceuticals, that used some of their own resources while using the bulk of public resources, have privatized and patented the vaccines they have produced. The leading mRNA type vaccines produced by Pfizer/BioNTech and Moderna were developed thanks to public funding to the tune of $8.3 billion. Similarly, other companies also got huge sums from their respective governments.

At the beginning of vaccine supply, data on pricing and agreements between the recipient governments and pharmaceutical companies was not made available. After criticism from rights groups, some data was made available which suggests that the cost of production of mRNA vaccines should be around $1.18 a dose but governments across the world have to pay between 4 and 24 times more than they should. Pharmaceutical companies are charging five times higher prices even from COVAX, the scheme set up to help poor countries to get access to Covid vaccines.

If the vaccines had been supplied to COVAX at the original price, the money so far paid by COVAX to these pharmaceutical companies would have been enough to vaccinate every citizen in low- and middle-income countries and hundreds of thousands of more lives could have been saved. The People’s Vaccine, a global alliance and movement of health and humanitarian organizations, leaders, health experts, faith leaders and economists, has called for rapid production and a free supply of vaccines to those who need them across the world.

Pfizer/BioNTech and Moderna sold more than 90 percent of their vaccines to rich countries. Due to vaccine monopoly, less than one percent of people in poor countries could get a vaccine dose.

The People’s Vaccine Alliance estimates that Pfizer/BioNTech and Moderna are charging governments as much as $41 billion above the estimated cost of production. A research report by the alliance says that due to lack of transparency of pharmaceutical companies, the exact cost of R&D and manufacturing of vaccines is unknown. The analysis, however, suggests that “it could cost $9.4 billion to produce 8 billion doses of the Pfizer/BioNTech vaccine -- $1.18 per vaccine and for Moderna it would cost $22.8 billion to produce 8 billion doses -- $2.85 per vaccine. Pfizer forecasts sales of $26 billion in revenue for 1.6 billion vaccine doses, therefore at an average cost per dose of $16.25 (against a potential cost price of $1.18 per dose). Moderna forecasts sales of between 800 million and 1 billion doses, therefore at an average cost of between $19.20 and $24 per dose (against a potential cost price of $2.85 per dose). The total combined forecasted sales income equates to $41 billion above the potential cost of production”. The Chinese Sinopham vaccine is also reported to have been sold up to $40 per dose against its cost of less than a dollar, depending upon their markets.

Though corporations did not fulfil their corporate social responsibility or social investment policies, some rich countries that had purchased costly vaccines in bulk have donated a fraction of their stocks to poor countries so that they can buy some quantity of jabs themselves. This small contribution though is too small to vaccinate all global citizens.

What is urgently needed is to transfer vaccine technology to other countries to produce and supply vaccines to meet local and regional needs. There is a need to urgently waive off the intellectual property rules for the Covid-19 vaccines. Some American companies had announced plans to produce 100 million doses for use in Africa but they have not fully transferred vaccine technology to any developing countries. However, Chinese vaccine companies have transferred technology and raw material to various countries including Pakistan and the United Arab Emirates. In addition to selling to middle-income countries, China has provided millions of free doses as donations to developing and poor countries.

The fact is that CEOs of pharmaceutical companies are becoming billionaires at the cost of humanity. The World Health Organization estimates that, prior to the Covid-19 pandemic, developing countries used to pay around $0.80 a dose for all non-Covid vaccines. But now they have to pay nearly four times this price even for the cheapest Covid vaccines --Oxford/AstraZeneca. The Johnson and Johnson vaccine is 13 times the price, and Pfizer/ BioNTech, Moderna and Sinopharm are up to 50 times higher.

More alarming is the pronouncement by the CEO of Pfizer that the would-be prices of his vaccines will be as much as $175 per dose -- 148 times more than the potential cost of production. They are putting up such prices amid reports of requirements of boosters which they will charge even higher. Only rich countries can buy such boosters.

The People’s Vaccine Alliance has amid this discussion reiterated that corporate greed, vaccine passports or vaccine apartheid cannot make the world safer from the Covid-19 pandemic unless we ensure that we have made every global citizen safe from this pandemic by providing vaccines to all as a global common good and not as a commodity sold at higher prices.

No pharmaceutical corporation should be given Covid vaccine patents. Instead, they should share scientific knowledge, raw material and equipment to facilitate production of vaccines in plenty in all countries so that locally produced vaccines immediately help save lives. A select few companies cannot cater to the needs of the whole global population. If the monopoly of the corporations over the vaccine is broken and local production is promoted, the cost of vaccines will be reduced by 5 to 40 times and even the poor countries or poorer populations will be in a position to access the vaccines.

Rich countries and corporations could not help save lives even in their own countries in the first place. It is not money that can protect humanity, but global herd immunity which can be developed if over 70 percent of the total global population is vaccinated. Right now, it is time to rise above petty politics or profiteering to benefit a few rich people at the cost of millions of people at risk of Covid mutations. Let leaders have a political economy approach and corporates fulfil their social responsibility of protecting lives.

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