

Statement, Robert J. Ledogar, 5/27/76 - 3

America, needs from the pharmaceutical industry is the development of very inexpensive drugs to combat diseases like tuberculosis, measles, diphtheria, whooping cough, schistosomiasis, Chagas disease, and the myriad of intestinal infections which ravage the low-income populations. This means that research and development must be carried out with these local and low-income concerns primarily in mind. This is not the kind of R&D which receives highest priority in the multinational pharmaceutical business. Nearly all of the pharmaceutical products on sale throughout the world today are discovered and developed in the United States or Europe. Since multinational firms make their money by selling to the higher income populations of North America, Europe, and Japan, along with the urban middle and upper classes of Asia, Africa and Latin America, they have very little economic incentive to produce cheap drugs to combat diseases from which their main customers do not suffer.

My purpose is not to make the transnational pharmaceutical industry the scapegoat for all of Latin America's ills. The industry has discovered and developed drugs and vaccines which have saved millions of lives among rich and poor. Even if one believes that such discoveries and more might have taken place if the industry were structured differently than it is, credit should be given where it is due. Latin American govern-