

Trade Agreements, Patents, and Drug Prices: Continuing the Debate



In a new paper, [Ken Shadlen](#) and co-authors look at the relationship between bilateral trade agreements with the US and the price of drugs and access to medicines in developing countries.

The upward-ratcheting of patent protection through trade agreements has generated significant concerns about potential effects on prices of drugs and access to medicines in developing countries. The Trans-Pacific Partnership (TPP) included even more extensive pharmaceutical patent provisions than any before. While President Trump withdrew the US as a signatory to the TPP, the potential for new trade agreements to raise the same set of concerns generated by the TPP remains high. Previous work assessing the TPP argued that new data on pharmaceutical expenditures (and other measures) from countries with recent trade agreements with the U.S. indicated that concerns about pharmaceutical patent protection and drug prices are overblown and it may be time to move on from these debates. Here we argue that the analysis supporting these claims is misleading because it fails to look at the right drugs at the right points in time, overlooks the temporal dimensions of implementation of provisions in previous trade agreements, and ignores the broader context in which trade agreements are negotiated and implemented. Much more empirical work is needed to understand the impact of previous trade agreements, and the effects of stronger patent protections in developing countries on innovation, access, and prices. Some of the crucial analyses may not be possible until the provisions in the agreements take full effect, which could take some time especially in developing countries where patenting is relatively new.

This short paper, available [here on SSRN](#), builds on the earlier exchange in Foreign Affairs that was featured on the [ID blog](#) in 2016.



Professor Ken Shadlen is Professor in Development Studies in the Department of International Development. He works on the comparative and international political economy of development, with a focus on understanding variation in national policy responses to changing global rules. In recent years his research has focused on the global and cross-national politics of intellectual property (IP).

The views expressed in this post are those of the author and in no way reflect those of the International Development LSE blog or the London School of Economics and Political Science.

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