

# BOOK REVIEWS

## A Sucker Punch At The Drug Industry

by Eugene E. Elder

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### ***The Big Fix: How the Pharmaceutical Industry Rips Off American Consumers***

by Katharine Greider

(New York: PublicAffairs, 2003), 224 pp., \$14

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There is no mistaking Katharine Greider's thesis in *The Big Fix*: The way Americans obtain and pay for prescription drugs is inflationary, corrupt, and broken, and it is the drug manufacturers' fault. But for all of the problems Greider identifies, some of which may need to be addressed, it is not clear why she has singled out drug manufacturers as the guilty party. Many of the ills she describes result from a combination of U.S. consumers' attitudes toward health care, which demonstrate a strong faith in the free market, and the payment policies of the entities that fund most of the drug purchases in this country—state and federal governments and other third-party payers such as insurance carriers, managed care organizations, and employers.

Greider has worked as a newspaper reporter and a freelance magazine writer. Her book is a quick read, relatively short, and written in an articulate, conversational style. In only eight chapters she describes the transgressions of the industry as she sees them.

Among her arguments: Drug spending is rising dramatically in the United States, driven by the constant introduction of new and expensive drugs that are vigorously marketed by profit-driven companies under pressure to hit

their quarterly earnings figures. Manufacturers use patent protection laws to extend the time they have exclusive rights to sell their products. They justify high prices by pointing to the research and development (R&D) costs they incur to bring drugs to market, but in fact they dedicate their R&D dollars primarily to drugs they can sell for the most profits. They employ sales agents that bombard doctors' offices with free pens, mugs, and pizza in efforts to hit their sales quotas. They use "suggestive fantasies" in TV advertisements to get consumers to ask doctors for prescription medications by brand name. They take advantage of Americans' fascination with novelty and their confidence in science by offering them prescription solutions for widespread afflictions such as allergies (for example, Allegra and Zyrtec) and depression (for example, Prozac and Paxil). And they strenuously lobby against laws that would prevent them from doing any of the above.

The problem with these arguments is not that they are false, but that they are somewhat self-evident and, by themselves at least, perfectly legitimate. R&D costs do result in high drug costs, and drug manufacturers do pursue profits. Drug costs are rising as a result of new drugs that are strenuously marketed by their manufacturers, and manufacturers do strive to develop popular medications for common ailments. By themselves, these assertions do not demonstrate that drug manufacturers are "ripping off" consumers. Stripped of some of the author's colored language—marketing is "flogging," lobbying efforts are "thuggish," and

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prices are “exorbitant”—these assertions often lose most of their persuasive force.

Of course, Greider cites a variety of studies and experts to support most of her assertions. But much of this evidence consists of provocative statements that seem ready-made for the stump speeches and sound-bite news coverage of the upcoming political season. As such, these statements initially seem persuasive but often do not withstand close examination.

For example, Greider breathlessly reveals that from 1999 to 2000, prescriptions for the fifty most heavily advertised drugs rose at six times the rate of all other drugs. This sounds troubling, doesn't it? For Greider, this is “telling” evidence that advertising has an inordinate, and presumptively inappropriate, effect on prescribing patterns. The problem is that her conclusion does not follow from her statistical premise. Consider the fact that the fifty most heavily advertised drugs are probably mostly new drugs, because they are being advertised specifically to increase physicians' and patients' awareness of their new availability. Then consider the fact that prescriptions for new drugs, even if they are not advertised at all, will obviously rise at a rate that far exceeds the rate for all other drugs. If a drug is prescribed once in the first month and fifty times in the second, its prescriptions will have increased at an impressive annual rate of 60,000 percent. But this fact alone cannot determine whether or how much advertising caused the increase and certainly cannot prove that such advertising is harmful. Many of Greider's arguments have this characteristic; they are quick jabs that don't quite land—they impress the audience but shouldn't count for much on the judges' scorecards.

One of the things that Greider laments is the web of financial relationships that, in her view, infect the pharmaceutical industry. For example, she cites a study that found that 97 percent of the physicians who published re-

search favoring a particular type of hypertension medication had a financial relationship with the manufacturers of that medication. She fails to mention that the worrisome-sounding “financial relationships” could have been, among other things, travel expenses to speak about the medication at a physician conference, paid for by the manufacturer after the physician in question had already published his or her research. However, her point is that financial relationships have the potential to

color a person's approach to an issue, and this seems reasonable.

In this regard, then, it is fortunate that Greider mentions in her acknowledgments that she started her book after the public affairs director of the AFL-CIO asked her to write a “clear-sighted accessible piece of writing about how the drug

business works in America.” Although the AFL-CIO sponsored her work, Greider assures us that it otherwise left her to her own devices. While this may be so, any visitor to the AFL-CIO's Web site can see a marketing push for Greider's book that rivals that of many pharmaceutical products, and the fact remains that the book was essentially commissioned by the person presumably in charge of lobbying for the AFL-CIO, an organization that battles the pharmaceutical industry on any number of legislative issues. While Greider scoffs at physicians' assertions that free pens and mugs do not affect their prescribing patterns, she does not explain why she is immune from similar influence.

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