



# AMERICAN RUSSIAN MEDICAL ASSOCIATION

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September 10, 2007

## Full Contribution

The American Russian Medical Association (ARMA) would like to take this opportunity to comment on the issue of public health, innovation and intellectual property protection, which is the subject of current IGWG hearing. We want to express our deep concerns about the spirit and the letter of the Draft global strategy and plan of action that has been presented by IGWG to the public recently. With growing anxiety we are watching IGWG developing the alternatives to the current private sector innovation model. And in that regard the attempts of some developing countries, like Thailand or Brazil, to use the compulsory licensing as a vehicle for arbitrarily patent breaking is especially troublesome.

Founded in 1990 by a group of physicians with Russian origins, The American Russian Medical Association was established in Los Angeles to provide support and networking opportunities for physicians who immigrated to the United States from the former Soviet Union. From what began as a ten-member organization, the Association has grown to a two hundred plus member organization that encompasses medical physicians from all branches of medical science including dentistry, nursing, and other allied health professionals.

Most of our members possess the first-hand experience with the Soviet Union government being in control of health care innovations and intellectual property rights. Every decision made by Soviet government was claimed to be done on behalf and in the interest of Soviet people. And there is an evidence of all so-called “new” approaches, like “prize” model, has been tried out already and failed in the framework of the “government-controlled” economy. At the same time industries and the academia working in the free market environment had prepared and put into practice the ongoing technological revolution. The fruits of that revolution, including variety of new life-saving medical drugs, currently being used and enjoyed by billions of people, both in developed and in developing countries.

ARMA members are aware and in full support of the considerable progress that has been made in recent years by governments, industry, charitable foundations, and nongovernmental organizations in funding initiatives to develop new products to fight diseases affecting developing countries, and to increase access to existing ones. However, we are opposing strongly the idea of expanding those efforts at the expense of the intellectual property rights system. It took about two hundred years to develop and fine-tune gradually the existing international IP law. Under protection of that law

researches and inventors all over the world have created and developed more than 90% of all know-how acquired by the humankind in its whole history.

In the last century the success achieved in the field of health care and medicine has been driven mostly and primarily by free market forces and shielded internationally by IP laws it has reached such proportions that it speaks for itself. And the speed of progress in the pharmaceutical industry of both developed and developing countries is increasing exponentially boosted by likewise expansion in adjacent industries and sciences. It is obvious that such tremendous growth of means and goods in immediate terms does not make them accessible to all countries of the world. But in a longer run the technological and intellectual progress benefits everybody.

Pharmaceutical innovation based on the current private-sector model has produced massive benefits for patients worldwide. Its success rests on the existence of patent protection, which plays an important role in each step of the innovation process. The ability to receive the patent protection for their discoveries permits research-based institutions to gain commercial rewards for their innovative efforts. Those rewards, in turn, enable these institutions to continue to undertake their research and develop a new knowledge.

We think that the recent unprecedented growth of the last decades in pharmaceutical innovations was exactly the reason why that industry caught attention of “social engineering” activists. The idea of the private property “fair re-distribution” under the government control is following historically every success of the free market forces. It was not a coincidence that Karl Marx had come up with his theory of “total fairness” in the midst (chronologically and geographically speaking) of the 19<sup>th</sup> century industrial revolution. Hundred years ago Russia was one of the most developed countries in the world and had a huge disparity in access to its fortunes between haves and have-nots. At that time armed with Marxist theory self-proclaimed advocates of poor people rights promised to create the government fair to everybody. Do we need to re-count the results of it?

On behalf of the ARMA members and of hundreds of thousands of our current and future patients who’s lives were either saved or improved by new drugs created under existing IP laws we would like to express our opposition to any social tinkering with the current patent protection model of immense value. If as the result of such tinkering under the auspice of the reputable international organization the existing international “pipeline” of new medicine development got broken, in a long run it would bring the tremendous increase in suffering of the people in poor countries.

As most of the Soviet citizen learned on the basis of their personal experience: the uneven distribution of wealth under the free market model is better than the even distribution of poverty brought to them by the communism.

Best regards,

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