Europe is ahead of the US in the antibiotics game, says Dr. Shlaes

By ACSH Staff — August 8, 2014

We have often written [1] about the antibiotic crisis in which we now find ourselves. The main problem standing in the way of progress in the development of new, effective antibiotics seems to be that it's very expensive, and companies are not incentivized to invest time and money in this area. A blockbuster drug (e.g. Lipitor) has to be taken for years, while antibiotics produce profits based only upon a short-term course. To further complicate this problem, the majority of the large pharmaceutical companies pursuing antibiotic research and development are in Europe, says ACSH advisor Dr. David Shlaes. However, according to Dr. Shlaes [2], Europe is now paving the way towards developing a clear mechanism for companies to reap a reasonable return on their antibiotic R&D investment. Maybe the US can learn something from this.

British Prime Minister David Cameron is now developing a task force in Europe and its main focus will be on the economics of antibiotic development. The head of the task force is an economist, Jim O Neill, who was previously the chairman of Goldman's asset management group. Furthermore, both Cameron and O Neill are aware that a constant pipeline of new antibiotics will be required to keep us one step ahead of the superbugs. And they recognize that the only way we will achieve this is to bring more companies into the antibiotics R&D game, says Dr. Shlaes.

Scientists and antibiotic experts are also trying to organize a meeting with those in charge of providing incentives to pharmaceutical companies the payers which consist of large insurance companies like Aetna, United Health Care and Kaiser to educate them about antibiotic trials and figure out what the payers may need to provide the reimbursement necessary to incentivize antibiotic R&D.

Dr. Shlaes says this is the key. I think we need to get payers to understand what is at stake and to get them to become stakeholders in this struggle. I now believe that this meeting with payers will be critical to enticing big pharma back into antibiotics R&D because it will address the very pocketbook issue that deterred them in the first place.

And of course, this meeting will be taking place in Europe. As Shlaes concludes: It's Europe 21,
US 0.

ACSH's Dr. Josh Bloom had this comment: I find it quite ironic that the hotbed of pharm R&D had been Europe, until their policies sent much of their expertise to the U.S. Yet, this was undone by idiotic policies by the FDA, and now Europe is once again ahead. Our FDA's requirements for proving that new antibiotics not only work, but out-perform the older ones, is helping that flight from our shores exponentially.

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