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Manufacture of Drugs

MORE than a decade ago when the Welfare State was the dominant idea in Pundit Nehru's mind and the economic base of welfare had not been clearly grasped, not to say of being formulated in terms of a workable plan, two measures of public health had been begun in a small way: one was a health scheme for industrial workers; the other was a project for the manufacture of penicillin in the public sector. Whether the Employees' State Insurance Scheme has fulfilled the earlier expectations or not, it has been expanding from year to year.

Manufacture of drugs, however, has proliferated very considerably. That Pandit Nehru should have found time to come for the opening of an important addition to the penicillin plant at Pimpri goes to show that production of drugs in the public sector is still a highly cherished objective of the Government. The inordinately long years taken in finalising the drug manufacturing scheme with Soviet assistance and the very energetic expansion of the manufacture of various drugs in the public sector might have puzzled the public a little bit about the seriousness of the Government's intentions. Doubts still remain how it will work out in the long run with so many drug-manufacturing plants in the public as well as the private sectors and the continuation of the patent laws which stand in the way of a rational and economic organisation of production in this particular field.

How puzzling the situation looks to the uninformed public will be clear if only the broad developments in streptomycin alone is taken into account. The plant that Nehru opened is for the manufacture of streptomycin. For this, assistance had been sought from Merck and Co of the USA who supplied the technical know-how at a considerable cost. Another unit—and a fairly large one—for the manufacture of the same drug, among others, is being planned for the antibiotics plant at Rishikesh to be set up with Soviet assistance and know-how. Alembics have got a licence also for a streptomycin plant to be set up in Baroda. There may be and perhaps will be others.

The image of welfare detached from the economic base which can make welfare possible must have been haunting Pandit Nehru when he inaugurated the streptomycin plant in Pimpri. For he started off with the challenge that "there was no profit motive in the production of drugs in the public sector". This was rather a startling statement to make, considering that the new plant had been built entirely out of the profits of Hindustan Antibiotics Ltd. Not that he was unaware of it. What he had in mind was as he himself said so very clearly, that if the private sector had full control over the production of drugs, it would mean higher prices for vital drugs so necessary for the health of the people.

Control over production in the case of drugs does not rest entirely on whether the drugs are produced, in the public or the private sector, when the drugs are patented and India recognises these patents. It is obviously the policy of the Government to encourage competition in the manufacture of drugs in order to bring down prices, and bring them within the reach of the bulk of the people. Will this policy not be defeated when particular drugs are insulated against competition by patent rights?

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