

Not what the doctor ordered

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The EU-wide ban on prescription drug advertisement is not what the doctor would order for the European economies, argues the author of this article, as consumer choice and labor productivity stands to suffer and with it the ailing Lisbon process.

The EU directive on “the Community Code relating to medicinal products for human use” effectively bans pharmaceutical companies from telling consumers about the effects of their products. This despite each prescription drug undergoing a rigorous licensing procedure in each member state and arguably still requiring – you guessed it – a doctor’s prescription, before consumers may purchase the drug.

Such a ban, however well-intentioned, has several unintended malicious side-effects. It bars consumers from identifying attractive products fast and from making better-informed purchasing decisions. And in the bigger picture, it makes for higher public health spending and lessens productivity while discouraging industry innovation.

The paradox of health costs and health

A competitive economy requires human, as well as economic, health. Paradoxically, European public health spending has been booming but, compared to other OECD countries, the European workforce still suffers from shorter working life-spans and a significantly lower productivity.

This Spring the Commission recommended building public health priorities in to the Lisbon agenda by the 2005 Mid-Term review. Obtaining the Lisbon targets requires a healthier work force and a sharp increase in labor productivity.

Meanwhile, most OECD countries are witnessing growth rates in health care spending, rapidly outpacing their weak economic growth. In fact, 2000-2001 real GDP growth averaged just 2.3% while real health spending increased by 4% (source: www.OECD.org). Much of this expenditure can actually be explained by the consistent prescription of a rather limited number of trademark drugs.

How to lessen the heavy burden of public health spending? One policy solution seems almost too stark to contemplate: keep consumers uninformed about the availability of new prescription drugs. This would significantly reduce the demand for innovative patent drugs while in their most expensive price cycles.

A more consumer-friendly way permits pharmaceuticals to advertise their products freely, thereby reducing the price faster while creating consumer awareness. This of course assumes the Commission respects consumers' intellect, and that it values the benefits provided by approved drugs.

Healthcare Nannyism

The EU medicine directive explicitly outlaws advertisement for prescription-only drugs. However, it also goes a long way to discourage consumers from taking advertised medicines, even when free to purchase them in drugs stores:

“The advertising of a medicinal product to the general public shall not contain any material which (...) suggests that the health of the subject can be enhanced by taking the medicine (...) suggests that the health of the subject could be affected by not taking the medicine (... or) refers to a recommendation by scientists, health professionals...” (CONSLEG:2001L0083)

So much for watching German powder-food king Dr. Oetker popping painkillers on prime time tv adds.

But the apparent attempt to shield the presumptively dim-witted consumer from unhealthy influence also effectively bars advertising to inform consumers directly about the possible positive effects of a non-prescription drug – tested, certified and approved by government health authorities.

Alternative – The clever consumer

The Commission believing that consumers do not seek private advice on medicine use may be too fantastic even for regulators. Barring advertisement, where do clever consumers turn to brush up on their knowledge?

Barring a friendly neighborhood witch doctor, the intuitive consumer may rely on peer information. Old fashioned “over the back fence” information exchange is now found through more sophisticated means including a wide array of print and internet sources, offering most consumers an easy and empirical bases for their choice of drug. In sum, today's consumer is more, not less able to make informed choices.

This experience extends beyond more benign illnesses to, e.g., cancer patients. Indeed their families and support networks quickly pick up news about potentially effective new treatments and facilitate inclusion in the publicly provided health services.

This may be what the Commission fears, but it is right to impede this benefit to the broader population?

Allowing conscious choice

The ability for patients to detect illness at an early stage and seek medical advice can be life-saving. This, and the obvious physical (and financial)

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benefits of early diagnosis and treatment dramatically reduce the risk of longer more expensive treatment.

For such reasons self-diagnosis using properly authenticated and qualified internet sources has long been a favorite item on the menu of health care cost-cutters. Also, less well-informed patients do often burden health providers with less-than-necessary consultation. Increased access to information on illnesses and available treatments eases such burdens. Impeding drug advertisement to promote an aware public is difficult to defend.

This in no way drives the patient from her doctor or lessen the safeguards of prescription, but creates a more aware patient who still must obtain medical advice prior to basking in medicinal wonders. Instead, one is tempted to believe the Commission driven by a fear of such awareness for what costs might ensue. Again, however, a penny of prevention is worth a euro of cure.

Ironically, of course, informed patients might also prompt dispensation of cheaper but equally effective drugs they would otherwise not have been aware of.

The freedom to choose

In addition to the obvious case to be made for consumer choice and individual responsibility, vital political choices exist.

Legislators and regulators alike confront the principle of allowing consumers rational choices about their medicinal and therapeutic needs based on other sources than that of the state, or even private, health services.

So-called consumer advocacy groups have long and curiously called for lessening the consumer's responsibility in making purchasing and use decisions, implying a (remarkable) lowest common denominator well below the rational "average consumer", grossly underestimating the average citizen. In fact, the impossible urge to create a "safe" world – when only a "safer" world is available – has often led to far more harm than good, regardless of intentions.

Uncaging the beast?

Arguing for a ban on drug advertisements is presumably made on a "better safe than sorry", despite the obvious temptation to presume a (short-sighted) cost motivation. Presumably, regulation would prevent patients from taking the wrong drugs after wrongly self-diagnosing, or after having being led astray by colorful advertising. Possibly of some logic in a vacuum, this theory does not apply in the prescription-required world.

Further, pharmaceutical manufacturers bear and will retain significant labeling, insert and other informational requirements above and beyond the approval process. Further, market forces weigh as heavily as legal consequences in the arena of truth-telling.

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Advertising engages competition, competition yields, bringing lower public health expenditure, and thus reductions in public spending. Who could ask for more? Cost-based opposition to an informed public is short-sighted, indeed.

“I went to the doctor and guess what he told me”

OECD Health Ministers meeting in Paris earlier this year concluded that their countries should *“use the most cost-effective means to provide the highest quality of health care to their citizens (...) do more to encourage industry to develop innovations which meet health needs in an affordable way”*, and last but not least *ensure that long-term care offers quality and choice, and is affordable*”. All those priorities would clearly and immediately benefit from a lifting of the ban on prescription drug advertisement.

As the EU-wide advertising ban comes into effect, only a dim light at the end of the tunnel remains: the Commission obliges itself to review of the policy on information and communication on prescription drugs by 2007.

Unfortunately, European customers may have found long before then that the ban on prescription drug advertisement is not at all what the doctor would have ordered.

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