

Pfizer: Expert Looter of Public Funds

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During a human catastrophe of multi-generational proportion even the greediest capitalist will put profit aside to work for the common good—Right? Well some would and did in the ongoing coronavirus pandemic but not Pfizer, the supreme medical ambulance chaser when it comes to tragedy and profit.

AstraZeneca and Johnson & Johnson promised to forego profit on their vaccines during the pandemic. Moderna is a small company that has never made a profit and has only one product to sell so it can be excused with respect to profit. Pfizer garnered \$9.6 billion in profits last year from the broad range of pharmaceutical products it markets. This year it may earn even more from just its share (with BioNTech) of this one vaccine/product.

It picked up \$3.5 billion in revenue the first three months of this year. That mean a \$900 million profit at 20% margin. As of a few weeks ago 87% of the vaccine went to wealthy countries and 0.2% to poor countries according to the World Health Organization. Pfizer projects \$26 trillion in revenue this year and analysts predict it will be its most profitable product ever BioNTech has locked in \$11.8 billion as of March.

Did these two companies fund and perform all the research required to make the drug? Certainly not. The German government was a substantial contributor. Crucially, BioNTech licensed the National Institute of Health's patent on the making of messenger RNA vaccines which included Pfizer because their partnership. So a government lab created the innovative approach to deliver the vaccine and then basically gave it away for private capital to profit.

If such blatant greed sickens you, don't expect Pfizer to throw up. It demonstrated the strength of its cast iron stomach in a Hollywood worthy destruction of a small community within the city of New London Connecticut. Just twenty years ago it strong-armed the state into providing \$78 million and an 80% 10 year tax abatement for the

building of a research and development facility in the fading city of New London.

But there was a problem in that the Takings Clause in the Constitution forbids the taking of private property for private gain by means of eminent domain. The object of Pfizer's desire was the destruction of 80 homes and businesses so the company could build its plant. It was a surprise to many that legal history was made when in 2001 the state, acting for Pfizer, achieved a 5-4 ruling in its favor by the US Supreme Court. No longer do resident only have to worry about government building roads on their property, now private businesses can do the same if they can prove an 'economic benefit'.

And so the Fort Trumbull working class neighborhood New London was destroyed for Pfizer. But a 'little pink house' its owner and lead party in the legal action opposing eminent domain got the state to preserve as long as she moved out. Eight years later Pfizer, as part of its planned reduction of 35% of its operational space, closed down the facility (just as the tax abatement was about to end), and earned a derisory salute as a memento for posterity from Hollywood in the film *The Little Pink House*. That's the 'can do' spirit of American business: meaning they can do whatever they like when it comes to screwing the public.

Economic News

Expectations for the Friday report on new hiring was 1 million. Instead it came in as a miserable 266,000 which countered the fiction of an economy that was heating up. That should have been a downer for the markets but, nope, the DJIA and S&P 500 hit new records. Right wingers planted their standard lie; unemployment benefits keep workers from seeking jobs. But those benefits are distributed according to the standards of various states that applicants must be shown to be seeking work. Fact is, the jobs aren't there.

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