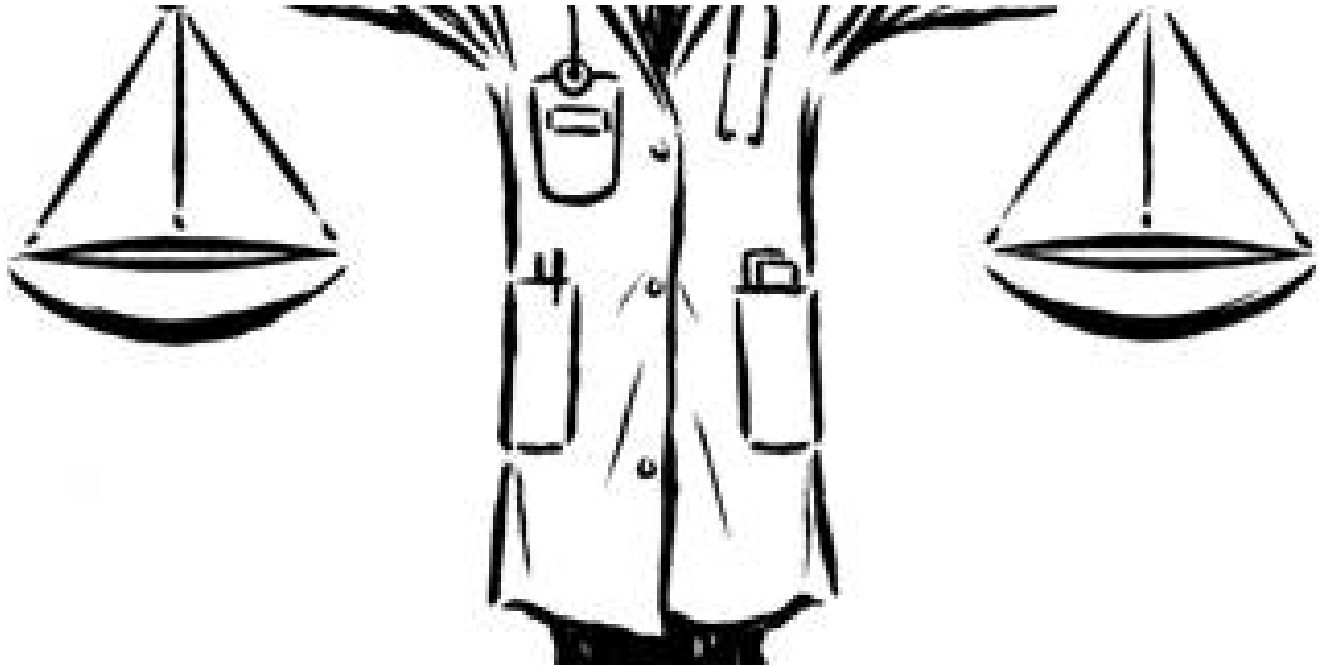


India's Patently Wise Decision

IS project-syndicate.org/commentary/the-impact-of-the-indian-supreme-court-s-patent-decision-by-joseph-e--stiglitz-and-arjun-jayadev

Joseph E. Stiglitz

April 8, 2013



The Indian Supreme Court's refusal to uphold the patent on Gleevec, the blockbuster cancer drug developed by the Swiss pharmaceutical giant Novartis, is good news for many of those in India suffering from cancer. If other developing countries follow India's example, it will be good news elsewhere, too.

NEW YORK – The Indian Supreme Court's refusal to uphold the patent on Gleevec, the blockbuster cancer drug developed by the Swiss pharmaceutical giant Novartis, is good news for many of those in India suffering from cancer. If other developing countries follow India's example, it will be good news elsewhere, too: more money could be devoted to other needs, whether fighting AIDS, providing education, or making investments that enable growth and poverty reduction.

But the Indian decision also means less money for the big multinational pharmaceutical companies. Not surprisingly, this has led to an overwrought response from them and their lobbyists: the ruling, they allege, destroys the incentive to innovate, and thus will deal a serious blow to public health globally.

These claims are wildly overstated. In both economic and social-policy terms, the Indian court's decision makes good sense. Moreover, it is only a localized effort at rebalancing a global intellectual-property (IP) regime that is tilted heavily toward pharmaceutical interests at

the expense of social welfare. Indeed, there is a growing consensus among economists that the current IP regime actually stifles innovation.

To continue reading, register now.

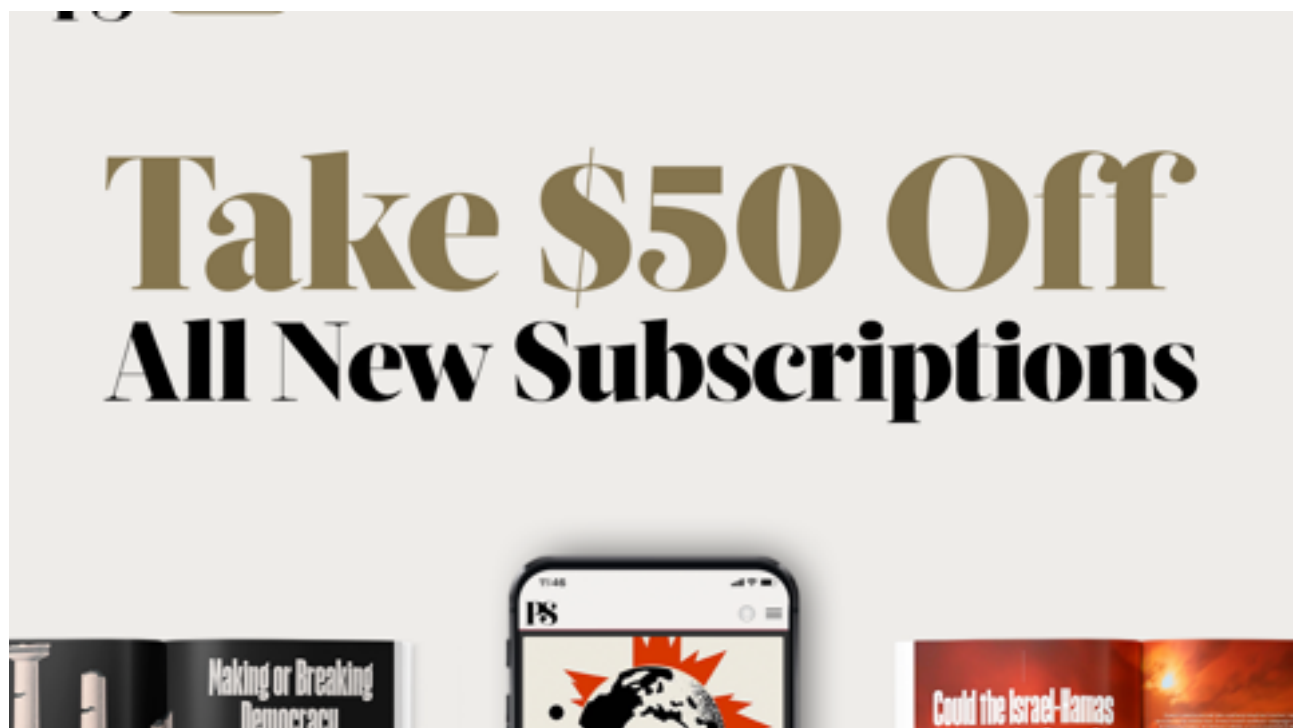
Subscribe now for unlimited access to everything PS has to offer.

[Subscribe](#)

As a registered user, you can enjoy more PS content every month – **for free**.

[Register](#)

Already have an account? [Log in](#)



Holiday Sale: Save \$50 on all new *PS* subscriptions

Subscribe now to gain greater access to *Project Syndicate* – including every commentary and our entire On Point suite of subscriber-exclusive content – starting at just \$34.99.

[Subscribe Now](#)



[Joseph E. Stiglitz](#)

Writing for PS since **2001**

331 Commentaries

Joseph E. Stiglitz, a Nobel laureate in economics and University Professor at Columbia University, is a former chief economist of the World Bank (1997-2000), chair of the US President's Council of Economic Advisers, and co-chair of the High-Level Commission on Carbon Prices. He is Co-Chair of the Independent Commission for the Reform of International Corporate Taxation and was lead author of the 1995 IPCC Climate Assessment.



Arjun Jayadev

Writing for PS since **2013**

4 Commentaries

Arjun Jayadev is Professor of Economics at Azim Premji University and Senior Economist at the Institute for New Economic Thinking.