

The New York Times

April 22, 2012

The Wrong Way to Stop Fake Drugs

By **ROGER BATE**

Washington

IN 2007-8, when counterfeit versions of heparin, a blood-thinning drug, were shipped from China to the United States market, 149 people died. In the last few months, bogus versions of the **cancer** drug **Avastin**, apparently shipped from the Middle East, have surfaced in clinics in California, Illinois and Texas. Thankfully, so far as we know, they haven't killed anyone, but more and more cases of dangerous fake drugs are being reported by the **Food and Drug Administration**. Numerous incidents surely go unreported, the evidence swallowed, the deaths incorrectly attributed to natural causes.

Fighting the fake-drug menace is like playing whack-a-mole. It is technically illegal for individuals to order drugs online from other countries. And yet no sooner does the F.D.A. shut down one dubious online pharmacy than another pops up. According to the National Association of Boards of Pharmacy, only 3 percent of the 9,600 online pharmacies it has reviewed complied with industry standards. Many were based overseas, so their sales to Americans were illegal; others did not require doctors' **prescriptions**. And some were very likely peddling dangerous counterfeit drugs.

And yet, the answer is not to outlaw this business entirely. Foreign versions of drugs can cost roughly half what they do in the United States. For the millions of Americans who are uninsured or underinsured, buying from international, credentialed online pharmacies could provide access to the medicines they need at a price they can afford. The online market for drugs is already substantial, with probably more than a million Americans regularly participating. But it is growing slowly because of concern about drug safety and, of course, legality. While the F.D.A. does not prosecute individual consumers whose purchases present no

threat to themselves or the public and grants some waivers to those buying less than three months' supply of a drug from abroad, most are still technically considered criminals.

The logic behind the current law is that it protects Americans from buying dangerous drugs. But there are better ways to guarantee that. In a recent National Bureau of Economic Research paper, I assessed the quality and price of drugs procured through Internet pharmacies. As expected, I found several foreign sites that sold fake drugs. But of the international Web pharmacies certified by the Canadian International Pharmacy Association or PharmacyChecker.com — 23 in all, with 211 drugs sampled — all passed quality-control tests. After all, they were the same drugs made by the same companies, just in different locations.

Careless buyers play Russian roulette, but those who look for credentialed sites can purchase safe drugs at a significant discount. Some Americans know this, but far more should. And it should be made entirely legal for them to do so.

Buying drugs online from overseas isn't for everyone. It should remain a limited option for desperate cash buyers — sick people with limited resources and insurance coverage — not a way for well-insured patients to reduce their co-pay. American [health insurance](#) companies should not be required to reimburse consumers for these drugs, because that would effectively import foreign governments' price controls into the United States and undermine American companies' research and development budgets.

Nonetheless, American pharmacists will most likely lose some business, and they will lobby hard against such a change. And no doubt some bad drugs will slip through, which will probably stop the F.D.A. from backing the idea. But as the problems with heparin and Avastin show, fake drugs leak into the United States already. The Internet is not the problem; the problem is that United States law cannot reach many of the criminals who perpetrate the frauds because most never set foot in America.

We can do something about that. These criminal networks flourish across Southeast Asia, Latin America and the Middle East. Turkey and the Caribbean act as major transit points, and countries like Panama launder the billions in profit. A global treaty against fake drugs (and the financing to enforce it) could work to eliminate these safe havens and ensure that the perpetrators of fraud have

nowhere to hide. We have treaties against fake currency and the narcotics trade, but as the medical journal *The Lancet* recently noted, we do not have one for fake drugs. Developing such a treaty — the World Health Organization is the obvious place to start — will take time, but it is the only way to begin to stamp out the international fake drug trade.

In the meantime, poor Americans should know how to buy their medicines online safely and should be allowed to do so. In an attempt to protect poor, uninsured and underinsured Americans from unsafe drugs, we are making sure that some go without drugs completely. It is time the law was changed.

Roger Bate, a resident scholar at the American Enterprise Institute, is the author of the forthcoming book “Phake: The Deadly World of Falsified and Substandard Medicines.”