

Moderna's coronavirus vaccine racket

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Every day, at least a quarter million people around the world are infected by the coronavirus and more than 5,500 die from the disease. Six months after the World Health Organization (WHO) declared its sixth and “most severe” Public Health Emergency of International Concern, with at least 17.1 million infected and over 669,000 dead, the public cry for a vaccine has grown ever more urgent.

There are now more than 4.5 million cases of COVID-19 in the United States alone and just under 154,000 dead. The pandemic is spiraling out of control. Yet the government months ago abandoned any serious effort to contain the virus.

When questioned about his administration's disastrous response to the virus, President Donald Trump inevitably ignores the breakdown in testing and the grim statistics of disease and death, touting instead purported progress in developing a vaccine. The unstated premise behind this posture is the homicidal policy of “herd immunity” and the position that the population must learn in the interim to “live with the virus.”

Enter Moderna Inc., a ten-year-old biotechnology firm that is researching one of the 164 different candidates for a coronavirus vaccine. On Tuesday, the *Financial Times* reported that the company is currently planning to charge the US and other governments \$25 to \$30 for a dose of its drug. The pharmaceutical giant's attitude was spelled out most crudely by Stephen Hoge, Moderna's president, who made nearly \$5 million last year and who said at a congressional hearing last week, “We will not sell it at cost.”

Moderna's price point is high even compared to other companies in the vaccine sweepstakes, such as Pfizer, which has reached a deal with the US government for \$19.50 per dose of its vaccine, and AstraZeneca, which has signed a deal with the Netherlands, Germany, France and Italy for \$3 to \$4 a dose if its vaccine is approved.

Moderna has already received \$955 million from the Trump administration's Operation Warp Speed program, headed by former Moderna board member Moncef Slaoui, as well as technical support through its partnership with the National Institutes of Health. If its drug is approved, Moderna stands to rake in potential revenues of \$16.5 to \$19.8 billion from US sales alone.

This is a pernicious example of how capitalist private ownership of vital industries such as health care and production for profit turn the search for a life-saving vaccine into a money-making racket.

Moderna is not the exception. It exemplifies the rule. AstraZeneca will be given \$1.2 billion if it succeeds in making a vaccine and Trump has already agreed to purchase 100 million doses of Pfizer's vaccine at \$2 billion if the drug is licensed. Another drug company, Novavax, will land a \$1.6 billion windfall if its coronavirus vaccine clinical trials are successful.

The government handouts—no strings attached—are going to non-vaccine companies as well. This week it was announced that Eastman Kodak will receive a \$765 million loan through the US International Development Finance Corporation generic pharmaceuticals. The Trump administration claims this handout will help produce drugs to fight COVID-19, but Kodak is slated to ramp up production only over the next 5 to 8 years.

The Democrats have raised only token objections. Representative Jan Schakowsky, in a statement to *Barron's*, called for “reasonable pricing of COVID-19 vaccines and treatments that have been developed by taxpayers.” At most, concerns have been raised that the budget set for Operation Warp Speed, \$10 billion, be matched by substantially increased funding for testing and contact tracing.

Meanwhile, some 25 million laid off workers are losing their \$600-a-week supplemental unemployment benefit, hundreds of thousands of small businesses are going bankrupt, and there is supposedly “no money” to

plug gaping holes in state and local budgets that will mean massive cuts in education, health care, public transit, housing and other public services.

In an earlier period, there was a certain commitment to providing life-saving vaccines for free. After Jonas Salk developed his cure for polio, resources were mobilized to produce enough of the vaccine to inoculate millions of children and virtually eliminate the disease from the US and the world. As a result, from 1988 to 2018, the number of cases reported each year plummeted from 350,000 to just 33.

There are no plans to develop a similar program to distribute a coronavirus vaccine today. Instead, the pandemic is seen as an opportunity to make a financial killing.

The market capitalization of Moderna has increased more than seven-fold in the past 52 weeks, to more than \$30 billion. Gilead, the maker of the highly-touted but mostly ineffective therapeutic remdesivir, is now worth \$90 billion.

At the same time, the race for a vaccine is being used by the American oligarchy as a bludgeon in the geopolitical arena. The US government is subsidizing the drug companies not to save lives, but to produce a “made in America” vaccine that will be used as a weapon against countries seen to be impediments to the drive of US imperialism for global hegemony, including, but not limited to, China, Russia, Iran, Venezuela, North Korea and Cuba. A US-made vaccine will also be used to gain leverage against Washington’s erstwhile European allies.

Fearing that China or even Russia might develop a vaccine ahead of the US, the American corporate media has already launched a campaign of lies charging the two countries with hacking US vaccine researchers. This is aimed at criminalizing and undermining their vaccine programs and potentially justifying a ban on their import into the US.

As WHO Director-General Tedros Adhanom Ghebreyesus said in June, “There should not be a divide between the haves and the have-nots” in regard to a coronavirus vaccine.

But such appeals fall on deaf ears. The nationalism exuded by Trump and his global counterparts is not the result of personality clashes, but the economic interests of the capitalist oligarchs who rule and determine policy in every country.

Those economic, class interests are in irreconcilable conflict with the urgent human need for a rational, internationally coordinated effort, using the knowledge and resources of all nations, to develop a vaccine that will be available to all at no cost. Any question of national interest or private gain must be subordinated to this socially necessary task.

This cannot happen under capitalism, an outmoded and destructive social system that subordinates all social considerations to the ever greater enrichment of a small and parasitic layer of multi-millionaires and billionaires.

The social force whose interests coincide with science and the preservation of human life is the international working class. This is the force that must be brought forward to fight the pandemic.

This means mobilizing the entire working class to expropriate the pharmaceutical giants and every other major industry and transform these monopolies into publicly-controlled utilities. The dictatorship of corporate interests over humanity must be abolished and economic life be placed in the hands of the workers themselves, establishing a genuinely democratic, socialist society.

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