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# Corporate Moral Responsibility, Distributive Justice, the Common Good, and Catholic Social Teaching: The Case of Gilead Sciences and Remdesivir

Vivencio O. Ballano<sup>1</sup>

### Abstract

Applying the moral principles of Catholic social teaching's (CST) on capitalism, distributive justice, private ownership, the common good, and the role of the state in the economy as the overall theoretical framework and utilizing secondary data, media reports, and scientific literature, this article explores the corporate moral responsibility of the top drug makers in the ownership and pricing of their essential medicines and COVID-19 vaccines. Specifically, it presents the case of the Gilead Sciences' business strategies and overpricing of Remdesivir drug to illustrate how predatory capitalism undermines the moral responsibility of drug makers and CST's moral principle on the common good in today's pandemic. Distributive justice requires that the publicly funded and developed medicines and vaccines should be priced and distributed fairly to promote the common good and prevent the public from "paying twice" for these essential medicines. Given the public character of these medicines and the demands of social justice, the price of Remdesivir and other essential medicines of Gilead Sciences and Big Pharma for COVID-19 could have been lower than what was officially announced. Ultimately, these medicines could have been made global public health goods in accordance with CST's doctrines on distributive justice, the common good, and the social dimension of private ownership.

### **Keywords**

Profit, corporate moral responsibility, distributive justice, capitalism, catholic social teaching, the common good, COVID-19, remdesivir

## Introduction

The Roman Catholic Church has a set of moral principles, called Catholic social teaching, that apply the Christian faith to social and economic issues. These principles can be relevant to and helpful in understanding the current <sup>1</sup>Faculty Researcher, Research Institute for Human and Social Development (RIHSD); and Associate Professor V, Department of Sociology and Anthropology (DSA), Polytechnic University of the Philippines (PUP), Manila, Philippines

**Corresponding Author:** 

Vivencio O. Ballano, Polytechnic University of the Philippines (PUP), 630 Anonas St., Sta. Mesa, Manila, 1016, Philippines. Email: voballano@pup.edu.ph pricing and marketing problems of COVID-19 medicines. Maximizing corporate profit at the expense of the poor during massive disasters such as the COVID-19 pandemic, capitalizing on disaster chaos to increase profits (Archer, Wolf, and Nolloor 2021) is unethical according to Catholic principles. For Catholic social teaching, it is always an obligation of all people and Christians to help those in misery. And in the global arena, people in rich nations have moral obligations to share their resources to the poor in developing countries (Caritas in Veritate [Charity in Truth] 2005).

Earning profits by capitalizing on pandemic chaos is contrary to the Catholic Church's teaching on the purpose of profit in business, the preferential option for the poor, and distributive justice. Taking advantage of disaster chaos to maximize profit in business and to promote and empower a range of private, neoliberal capitalist interests (Schuller and Maldonado 2016) is highly unethical. In the current COVID-19 pandemic private companies such as drug makers received billions of dollars of government subsidies for their pharmacological products only to be patented as their own exclusive private property and to be sold for profit. This pattern seems to follow the processes of previous major disasters in the United States (US) such as Hurricane Katrina where top companies received huge government contracts and subsidies for disaster reconstruction projects only to earn corporate profits at the expense of the poor disaster victims. The Catholic Church teaches that the right to own private property is God-given right, but it is always subordinated to the moral principles on the common good and distributive justice. "Distributive justice requires that the allocation of income, wealth, and power in society be evaluated in light of its effects on persons whose basic material needs are unmet" (National Conference of Catholic Bishops 1986, para. 70).

The public expects that business firms, especially during disasters, should not be exclusively driven by market economic factors (Becker 2007) but must be morally responsible for the negative impacts of their business on society. Thus, the concept of corporate moral responsibility was conceived as part of the larger notion of corporate social responsibility, described by Vogel (2008) as practices that improve the workplace and benefit society in ways that go above and beyond what companies are legally required to do. Corporate moral responsibility refers to "actions that appear to further some social good, beyond the interests of the firm and that which is required by law" (McWilliams and Siegel 2001, 117).

In this article, I employ the theoretical lens of Catholic social teaching on capitalism, the moral end of business and profit, private property, the common good, and distributive justice to assess the top drug makers' moral responsibility to the public during the pandemic, specifically that of Gilead Sciences in the pricing and earning profit for their essential medicines during the COVID-19 pandemic. Beyond legal accountability, I argue that top pharma companies have moral responsibility regarding social justice and demonstrate the negative impact of pricing and profit scheme to the common good. The moral aspects of business by top drug manufacturers during this pandemic have not been well subjected to critical analysis by Catholic scholars, specifically applying both critical social theories on disaster research and the moral principles of Catholic social teaching as the theoretical framework. This article aims to fill the gap of the lack of research and literature on COVID-19 that use moral principles and perspectives to address the pandemic crisis, one that prompted the World Health Organization (WHO) Director-General, Dr. Tedros Adhanom Ghebreyesus, to comment that the world in today's pandemic is on the brink of a catastrophic moral failure that costs the lives of the poor (WHO 2021).

This article is structured inductively, presenting first an illustrative case and then proceeds to analyze it using Catholic moral principles as a theoretical framework. The first section presents the case of Gilead Sciences' pricing and profit schemes to its popular anti-COVID drug Remdesivir to illustrate how drug makers employed predatory capitalist strategies to increase profit. The second section attempts to sociologically examine Giresponsibility lead's to assess the reasonableness of its pricing using secondary textual data and literature. The third section clarifies the contribution of the moral principles of Catholic social teaching to the purpose of business and profit, the common good, and the role of government in regulating business and applies them to the case of Big Pharma and Gilead Sciences' pricing and profit scheme during the pandemic. The last section evaluates the responsibility of Gilead Sciences and Big Pharma in the light of Catholic social teaching on the role of the government in regulating the market to protect the common good. Overall, this article argues that drug makers' reception of public funds and government subsidies for their COVID-19 vaccines and medicines and patenting and selling them at unaffordable prices to magnify profits manifests predatory capitalism that resulted in the "paying twice" by customers. This corporate moral irresponsibility is contrary to basic moral principles on the distributive justice and the common good.

# The Case of Gilead Sciences and Remdesivir Pricing

The quest for profit in pricing essential medicines during the pandemic is exemplified by the case of Gilead Sciences and its drug Remdesivir. In the pharmaceutical industry, no other drug company has attracted more public criticism for its pricing scheme to increase profit on life-saving drugs than Gilead Sciences (Gilead Mission and Core Values, n.d.; Heled, Rutschman, and Vertinsky 2020, 12). Gilead is "a large California-based biopharmaceutical company ... that targets infectious disease. Established in 1987, this company has grown dramatically through a sequence of strategic acquisitions, acquiring 16 other biopharmaceutical companies since 1999" (Heled, Rutschman, and Vertinsky 2020, 12). Owing to its business strategy, Gilead became one of Fortune's top 500 firms

with an estimated \$93 billion capital because of the rising sales of its anti-viral drugs (Heled, Rutschman, and Vertinsky 2020). Despite its public pronouncement of upholding moral responsibility and corporate commitment for a healthier world through its core values of "doing what is right" and "taking personal responsibility" (Gilead Sciences Website), Gilead Sciences continues its unaffordable pricing scheme for its popular anti-COVID-19 drug Remdesivir.

Because of the "current structure to research, develop and market, new medicines empower pharmaceutical corporations to establish prices based on patent monopolies, niche markets and non-transparent" business operations (Flyn and Silva 2021, 1). Thus, Gilead can dictate the price it wants for its new drug Remdesivir. With this absolute power and non-transparency of some of its sensitive business processes, which are protected by copyright and patents, the public has no idea how much Gilead has overpriced its Remdesivir to maximize profit. But many consumers have been questioning the pricing of Remdesivir, given the huge government subsidy for its development. They expected its initial price to be lower than what the company had officially announced. The public has paid twice for medicines, popularly known as the "pay twice" critique (Wolitz 2019). In this critique, customers first paid the pharma companies through their taxes, which are being used by the government to subsidize drug development and paid again when they bought these subsidized drugs in market with high prices.

The early price estimates indicated that Remdesivir could range:

from \$10 per course of treatment as a minimum cost of production to \$4500 per treatment course as measured by cost-effectiveness using a \$50,000/QALY threshold. This estimate was later lowered to a range of \$2520–\$2800 per treatment, assuming dexamethasone as the standard of care. On June 29, 2020, Gilead announced a price of \$520 per vial, or \$3,120 per treatment, for privately insured patients, along with a commitment to make the limited supply of the drug available to US patients first(Lee et al. 2020, 613).

But many found this pricing unacceptable; thus, eleven US state treasurers complained and wrote a letter to Gilead for a substantial price reduction, claiming that the reasonable price is between \$101 to \$160 per vial (Cueni 2021; Dal-Re et al., 2021).

The Institute for Clinical and Economic Review (ICER), an independent nonprofit group that performed cost-effective analyses for drugs, also found Remdesivir's price quite high. It estimated that based on preliminary data and an assumption of a mortality benefit yet to be demonstrated, a cost-effective price for a 10-day course of Remdesivir would be around \$4500 (Sarpatwari, Kaltenboeck, and Kesselheim, 2020). It also cited data suggesting that "a minimal price to recover the costs of drug production could be as low as \$10, not including future spending on research and development specific to COVID-19, on the grounds that earlier research and development costs had already been recouped from Gilead's successful marketing of drugs for hepatitis C virus, for which [R]emdesivir was originally developed" (Sarpatwari, Kaltenboeck, and Kesselheim 2020, 331).

But the more serious reason why Remdesivir could have been lower than the official price is that public funding, voluntary assistance from government scientists, and public participation in its clinical trials allowed Gilead to save substantial production costs (Navarro 2021; Krellenstein and Morten 2020). "Since the SARS outbreak in the early 2000s, it is estimated that the US National Institutes for Health (NIH), for instance, has spent nearly \$700 million on R&D efforts targeting coronaviruses" that includes Remdesivir (Heled, Rutchman, and Vertinsky, 2020, 14). Just to do research to understand the chemical structure and molecular target to make Remdesivir into a drug, Gilead received from the NIH a hefty \$6.5 billion grant (Cleary et al. 2020). Aside from huge government grants to produce Remdesivir, Gilead also saves R and D expenses as its basic research are largely done by government scientists and clinical trials had been participated freely by various people outside the company and assisted by the World Health Organization's (WHO) solidarity trials. Although most of the participants of these trials were Caucasians, more than 20% are Black Americans and Latinos (Science News 2020) and were later joined by volunteers from low- and middleincome nations with the WHO expanding its solidarity trials to include developing countries (Roussi and Maxmen 2020).

Lastly, scientists from various countries aside from those who worked in government and Gilead laboratories, also contributed to cut the cost of developing Remdesivir. Thus, the effort to produce this drug is truly global in nature. Remdesivir, as well as other COVID-19 vaccines, could have been made a global public health good or people's medicine because of the substantial contribution of the public (Gonsalves and Yamey 2021). Anti-COVID medicines and vaccines are not just privately produced commodities for corporate gain. Gilead executives know the public character of Remdesivir. Thus, they could have exercised more prudence and responsibility in determining Remdesivir's pricing scheme to ensure that the public, especially the poor, would not "pay twice" the essential medicines for the pandemic. As Wolitz (2020, para. 19) argues:

In an environment in which high U.S. drug prices in general draw public ire for their perceived excessiveness, expensive medications supported by federal funding feel particularly egregious. (Estimates of new drugs receiving federal support vary depending on the metrics, but a recent study demonstrates that about 25% of new molecular entities approved by the FDA have received latestage governmental contributions.) For many, the claim that taxpayers are wronged by "paying twice"—first for the research and development of a medical product, and then through supercompetitive prices to access a subsequently privatized product—resonates.

To Wolitz (2019, para. 20), it is "just wrong that products funded with taxpayer

money are unaffordable to those same taxpayers, and the government has an obligation to do better." This critique of paying twice reflects concerns the transactional unfairness between the government and private companies in federally funded medications such as Remdesivir. Thus, some reasonable pricing clauses need to be included in contracts before the government extends subsidies to Big Pharma for drug development to avoid this "paying twice" scheme that jeopardizes the common good by making life-saving medications too expensive for the poor who are also at risk for the disease.

The public distrust of Gilead Sciences and its overpricing of essential medicines is not without basis. Before Remdesivir, this company already had a history of overpricing that disregards the common good despite its stated commitment to corporate moral responsibility. An 18-month investigation by the US Senate, for instance, revealed that Gilead Sciences pursued a revenue-driven pricing of its Hepatitis C drug Sovaldi and its second wave successor Harvoni, which became highly unaffordable to patients (Ronwyden 2015). It also discovered its pricing and marketing strategy was designed to maximize revenue with little concern for access or affordability. Its executives, for instance, concluded it could make a profit by charging \$55,000 per 12week treatment for Sovaldi. But the company decided to charge \$84,000, which would deliver higher profits from fewer patients (Hiltzik 2015). Remdesivir seems to follow the same pricing and marketing scheme during the current pandemic.

# Remdesivir's Increasing Prices for Profit Rather Than Innovation

The case of Remdesivir's receiving public funds only to be privately appropriated and sold to increase profits and stock values during the COVID-19 essentially follows the pattern of private firms earning profits for major reconstruction projects after disasters in the US such as Hurricane Katrina. In New Orleans, the recovery from Katrina was derailed because private contractors such as Haliburton and Bechtel rewarded themselves richly with government-funded recovery and rebuilding contracts while victims were left to suffer and survive on their own (Adams 2020). The Federal Emergency Management Agency (FEMA) funded inefficient and profit-driven private firms for the disaster (Fields 2017). Instead of "mobilizing forces to aid victims of economic, political, military, or natural disaster control, private companies controlled the city, focusing on converting distress into profit" (Fields 2017, 1).

Like Katrina, the COVID-19 pandemic has been managed not only to maximize confusion and minimize protection but also to take advantage of the government's funding and leniency toward to pharmaceutical firms. Big Pharma, the consortium of the world's largest and most influential drug companies that constitutes Pharmaceutical Research and Manufacturers of America (PhRMA), has consistently obtained public funding to develop and manufacture essential medicines to respond to major disasters. In fact, all of the 210 drugs of Big Pharma approved in the U.S between 2010 and 2016 have obtained public grants for their research to address serious illnesses (I-MAK 2020).

Obtaining public grants to address major disasters to earn maximum profits is a violation of distributive justice. And the case of Gilead and its Remdesivir fits into this case. After garnering government contracts to address the Ebola crisis and later the COVID-19 pandemic, it appropriated the patent of this subsidized drug and sold it privately in the market for higher profits, instead of selling it in affordable price for the public good. The people who subsidized Remdesivir's development using their taxes will have to pay again for the price of this drug set by the company. Gilead capitalizes on the government's tolerant attitude towards drug manufacturers during disaster chaos (Archer, Wolf, and Nolloor 2021). Although pharma firms have pledged to make no or "very, very marginal" profits from

their products during the pandemic, the pricing scheme of their medicines tends to disregard patients' ability to pay. And at no time this is more true than during the current pandemic itself (Neumann et al. 2021).

To counter this public criticism, Big Pharma claims that the pharmaceutical industry needs higher prices for extra profits to encourage innovation and to increase spending for research and development (R&D) for the benefit of the whole world (Lazonick et al. 2017). This is also the argument of Gilead when justifying Remdesivir's price, "emphasizing that their resources and efforts are meant to introduce a new drug to the market" (Flyn and Silva 2021, 4). Increasing the price and maximizing profits are seen by Big Pharma as well as by Gilead as essential in the drug manufacturing process to achieve a healthier world. Pharma firms claim that high prices are fund investments that are intended for innovation.

But some authors such as Lazonick et al. (2017) are unconvinced of this argument and contend that what Big Pharma says is different from what it does in public. "For example, 18 drug companies in the S&P 500 Index in January 2016 and publicly listed from 2006 through 2015 distributed 99% of their profits to shareholders over the decade, 50% as buybacks and 49% as dividends" and not primarily for innovation. Thus, Big pharma's primary purpose for raising prices is fundamentally to increase profits and stock values for their shareholders rather than enhancing innovation for the common good. Essential medicines and vaccines for COVID-19 are currently in demand that the top pharma company Pfizer, for instance, expects to earn more than \$50 billion in 2022 sales for its vaccines and anti-viral drugs, more than doubling its annual profits because of strong sales of its products. Despite this projected huge sale for 2022, its investors want more profits for the company (Mishra and Erman 2022), revealing the prioritization of profit rather the promotion of the common good and helping humanity to end the pandemic as part of its corporate moral responsibility.

# Catholic Social Teaching's Contribution: Redirecting Profiteering, Protecting the Common Good, and Corporate Moral Responsibility

Evaluating the morality of earning profit and the moral responsibility of business firms especially during COVID-19 according to Catholic moral standards requires applying Catholic social teaching. Over the centuries, the Catholic Church has gradually compiled a compendium of social doctrines that apply the Christian faith to socio-economic issues (see Pontifical Council on Justice and Peace 2005) to guide believers, business firms, and public authorities on how to form a peaceful and just society (Dulles 2002). Catholic social teaching "embodies social principles and moral teaching that is articulated in the papal, conciliar, and other official documents issued since the late nineteenth century and dealing with the economic, political, and social order" (Kizito and Juma 2015, 1). It serves as "a set of principles for reflection, criteria for judgment, and directives for action" for all the members of the Church and society (Gaudium et Spes [Pastoral Constitution on the Church in the Modern World] 1965, para. 23).

Regarding capitalism, Catholic social teaching recognizes some of its positive aspects but also condemns its negative impact on society. Thus, Pope John Paul II qualifies his endorsement for capitalism:

If by "capitalism" is meant an economic system which recognizes the fundamental and positive role of business, the market, private property and the resulting responsibility for the means of production, as well as free human creativity in the economic sector, then the answer is certainly in the affirmative, ...

But if by "capitalism" is meant a system in which freedom in the economic sector is not circumscribed within a strong juridical framework which places it at the service of human freedom in its totality and sees it as a particular aspect of that freedom, the core of which is ethical and religious, then the reply is certainly negative. (*Centesimus Annus* 1991, para. 42)

Catholic social teaching condemns 'unfettered capitalism' and its maximization of profit without a strong moral and juridical framework to protect the common good. Pope St. John Paul II acknowledges the human inadequacies of capitalism and the resulting domination of things over people which are still manifest, especially in poorer countries (Centesimus Annus 1991, para. 33). He criticizes any economic system that upholds the absolute predominance of capital (Duncan 2013), rejecting the so-called "predatory capitalism" in which "the few" profit at the expense of the many (Friedrichs and Vegh Weis 2021). To maximize profits during disasters where people are suffering is a type of predatory capitalism that Pope St. John Paul II condemned.

Behind predatory capitalism's quest for profit and the non-interference of the government towards big business is the dominant ideology that sees individuals pursuing their interests without risk of arbitrary political interference. Predatory capitalism prioritizes profit over the needs of people during major disasters, resulting in equating individual freedom to marketplace freedom (Montes 2020). But this view of people as isolated individuals in an economic system is contrary to Catholic moral teachings. According to Catholic social teaching, individuals are persons pursuing their interests for the good of the community. Catholic teaching views the individual as a social being who lives in a community of persons (Centesimus Annus 1991, para. 35). Individuals and groups can engage in business and earn profit, but they need to follow the moral limits set by the principles on the common good and distributive justice.

# Catholic Social Teaching on Profit, the Common Good, and Role of Government in Markets

Maximizing profit scheme during disasters is contrary to the doctrine on the common good. Earning profit is a necessary component of a business enterprise. However, this must be done within the moral parameters of the common good, broadly defined as "the sum total of social conditions which allow people, either as groups or as individuals, to reach their fulfillment more fully and more easily" (Pontifical Council for Justice and Peace 2005, para. 164). The common good concerns with the life of all and "calls for prudence from each, and even more from those who exercise the office of authority. One of its essential elements requires that the social well-being and development of the public itself must be prioritized over personal well-being" (Catechism of the Catholic Church 1993, para.1906).

Pope St. John Paul II, in his encyclical Centesimus Annus [One Hundred Years] (1991), teaches that business firms have three different purposes, namely: service to society, profit, and community of persons satisfying basic needs (Abela 2001). The ultimate moral goal of business is genuine service to society: "The purpose of a business firm is not simply to make a profit but is to be found in its very existence as a community of persons who in various ways are endeavoring to satisfy their basic needs, and who form a particular group at the service of the whole of society" (Centesimus Annus 1991, para. 35). Catholic social teaching recognizes the importance of profit in business, but it is only one aspect of the purpose of business: "Profit is the regulator of the life of a business" (paras. 34, 35). But other human and moral factors such as protecting the common good must also be considered as equally important, aside from earning profits in business (para. 35).

To protect the common good in the economy and capitalist markets, Catholic social teaching recommends a moderate state intervention and effective "rule of law" to effectively balance state power and the economic needs of the various sectors in society to attain the common good: "The State has a duty to sustain business activities by creating conditions which will ensure job opportunities, by stimulating those activities where they are lacking or by supporting them in moments of crisis" (*Centesimus Annus* 1991, para. 48). The principle "rule of law" simply means that the law is sovereign and not the arbitrary will of people (*Centesimus Annus* 1991, para 44). The economy and the market cannot be left in a vacuum without regulation. Pope St. John Paul II insisted that "[n]o free economy can function for long and respond to the conditions of a life more worthy of the human person unless it is framed in solid legal and political structures, and above all, unless it is supported and 'enlivened' by a strong ethical and religious conscience" (Hittinger 1991, 952). The Catechism of the Catholic Church also specifies the primary task of the state in a market economy:

Economic activity, especially the activity of a market economy, cannot be conducted in an institutional, juridical, or political vacuum. On the contrary, it presupposes sure guarantees of individual freedom and private property, as well as a stable currency and efficient public services. Hence the principal task of the State is to guarantee this security so that those who work and produce can enjoy the fruits of their labors and thus feel encouraged to work efficiently and honestly (Catechism of the Catholic Church 1993, para. 2431).

Bishop Robert Barron (2015) further clarifies that a market economy becomes legitimate if and only if it is set in the context of a vibrant moral culture with virtues of fairness, justice, respect for the integrity of the other, and religion. In the pricing of basic commodities and essential medicines in the market, especially in times of disasters and emergencies, temporary and moderate state intervention and regulation are necessary to protect the good of all. "The proper function of authority is to arbitrate, in the name of the common good, between various particular interests; but it should make accessible to each what is needed to lead a truly human life: food, clothing, health, work, education and culture, suitable information, the right to establish a family, and so on" (Catechism of the Catholic Church 1993, para.1908). The excesses of Big Pharma and Gilead Sciences of monopolizing and overpricing of anti-COVID drugs such as Remdesivir during the pandemic could not have had occurred if the federal government was actively regulating the medical market to protect the common good.

In medical markets, the prices of essential medicines, especially during the current pandemic, must not be left to the control of market forces and pharmaceutical companies. With the lack of government regulation, "Big Pharma's top eleven corporations generated net profits in just one decade from 2003 to 2012 of nearly three-quarters of a trillion dollars - that's just net profit alone. The net profit for 2012 among those top eleven amounted to \$85 billion in just that one year" (Mucchielle 2020). Thus, with this kind of obscenely powerful money to throw around, what Big Pharma wants, Big Pharma nearly always gets (Hagopian 2015). Predatory capitalism allows the drug industry to enjoy considerable freedom to set prices in the US (Neumann et al. 2021) at the expense of distributive justice and the common good.

# Catholic Social Teaching and Evaluating Gilead's Corporate Moral Responsibility

The moral responsibility of pharmaceutical firms such as that of the Gilead Sciences during the COVID-19 pandemic largely depends on the responsibility of the government to regulate the market to rein the unethical quest for profit. Powerful drug makers cannot abuse their right to increase their prices if the government intervenes to protect the common good. The role of political authority is crucial in attaining the ethical and moral limitations of economic and financial markets. Although pharmaceutical companies profess some form of moral responsibility to society to protect the public good, moderate state intervention is still necessary to prevent profiteering. Unregulated markets can be dangerous to human dignity, the global community, and world peace (Kammer 2012, 3). Pope Benedict XVI (2009) warns against a total surrender of business to market forces, debunking the idea that

unregulated markets can result in benefits for the poor and the marginalized. Pope St. John Paul II taught that people must be the center of the economy and that the economy cannot be measured only according to the maxim of profit but rather according to the common good of all (*Centesimus Annus* 1991, para. 54).

The non-interference of the government in medicine pricing facilitates the moral irresponsibility of big pharma firms. Drug prices have continued to rise throughout the pandemic, and makers have hiked prices for 832 drugs an average of 4.5% already in 2021, according to a report by GoodRx, which tracks prices for nearly 4600 medications. By comparison, prices for 639 drugs went up an average of 6% in January 2020. The majority of these were branded drugs that have no generic alternatives (Gantz 2021). To what extent these hikes are reasonable and ethical requires government evaluation. Following Catholic social teaching, the government needs to oversee and intervene to regulate the medical market to protect the sick and the poor, especially in today's pandemic. Providing the public, especially the poor, with affordable prescription drugs is an urgent health care issue (Benatar 2000). But under predatory capitalism, the government tolerates private corporations' taking advantage of disaster chaos. Instead of regulating drug makers for their medicines which are largely funded publicly, the federal government continues to uphold a policy approach toward biomedical innovation, subsidizing and rewarding private companies to meet the emergency need for an effective treatment for COVID-19.

State regulation is crucial in responding to the problem of costly prescription medications (Wolitz 2019). In the US, the government can lower the prices of the COVID-19 medicines such as Remdesivir if it wants to. It has the legal authority to lower the price of drugs under 28 U.S.C, 1498, by which the state is empowered to buy generic versions of medicines at less than 1% of their list price. Brennan, Kaczynski, Monahan, and Rizvi (2016) argue that this law has long been used by the US government in other sectors such as defense to procure cheaper generic drugs in the 1960s. But this did not happen in recent years, especially in regulating the rising prices of COVID-19 medicines as well as allowing their generic versions in the market to lower their price. This non-intervention of the government in regulating the COVID-19 medicines of drug makers it helped to finance and developed reflects a type of capitalism that is contrary to Catholic social teaching.

Undoubtedly, the current COVID-19 pandemic is the greatest test for top business firms' moral obligations, especially that of top pharmaceutical companies, which play a crucial role in providing affordable medicines and vaccines to all nations to end the pandemic. The "pharmaceutical industry has become one of the largest industrial sectors in the world and perhaps the most profitable of all over the last 30 years" (Mucchielle 2020, 737). With the COVID-19 pandemic ravaging a world that depends on COVID-19 medicines and vaccines, pharmaceutical companies anticipate huge profits from their medicine and vaccine sales worldwide. In 2021 alone, Pfizer/BioNTech is expected to earn 15-30 billion US dollars, Moderna for 18-20 billion, Johnson & Johnson for 10 billion, and Astra Zeneca for 2–3 billion (Kollewe 2021).

Catholic teaching respects the quest for profit in a capitalist system but not profit maximization. Northrop (2013, 112) distinguishes "making a profit" from "maximizing profit." Making a profit is "an incentive and a reward for providing the good or service that a firm brings to the market, and it is essential to the functioning of the market system." But "maximizing profit" has a stricter purpose. "It requires that all firm behaviors be directed at making a profit as large as possible" (Northrop 2013, 112). Following Catholic social teaching, instead of selling Remdesivir at high prices, Gilead should have made it a public health good to be sold at affordable prices and allowed generic versions of the drug. If Remdesivir is indeed effective to cure COVID-19 and necessary to contain the pandemic, the company should not have patented it exclusively because the government has coinvented and co-owned it. The Catholic Church also teaches the moral limits of private ownership.

The Church's teaching on distributive justice is rooted in moral principle called the universal destination of goods, which teaches that God's creation is linked to the solidarity of all peoples. In this case, private ownership must be exercised in the context of being responsible stewards of creation and the common good of society (Kammer 2012). Under this principle of the universal destination of earth's goods, the right to private property has moral limits. In relation to Remdisivir, Gilead filed patent applications and "other structurally related compounds as well as methods for using these compounds for the treatment of Ebola and other viruses" (Heled, Rutschman, and Vertinsky 2020, 15) without regard to its public character as publicly funded goods with an ultimate destination in the remediation of illness for all who are ill. Then, "the US Food and Drug Administration (FDA) issued an Emergency Use Authorization (EUA) for [R]emdesivir for the treatment of hospitalized adults and children with severe coronavirus disease 2019 (COVID19)" (Sarpatwari, Kaltenboeck, and Kesselheim 2020, 331) after a NIH-sponsored clinical trial of 1063 patients showed that it reduced the recovery time of hospitalized patients from 15 to 11 days (Beigel et al. 2020). Gilead Sciences appropriated Remdesivir as its exclusive property by patenting it despite the fact the federal government has invested so much in its development. According to the Catechism, "those in authority should practice distributive justice wisely, taking account of the needs and contribution of each, with a view to harmony and peace" (Catechism of the Catholic Church, paragraph 2236). Applying distributive justice, the federal government should not have allowed Gilead to patent the publicly developed and funded Remdesivir.

This act of corporate moral irresponsibility of Gilead is tied up with the moral irresponsibility of the federal government by neglecting its duty to actively monitor the market for possible abuses. The state tolerates the company's overpricing and patenting of Remdesivir. It remains reluctant to intervene in Gilead's decision-making process regarding the development, manufacture, and marketing of Remdesivir despite its huge stake in its development. In a media interview, for instance, the Secretary of Health and Human Services, Alex Azar, refused to provide such a guarantee to COVID-19 patients' treatment, citing concerns that imposing pricing restrictions would dampen investment in developing such treatments in the first place. Similarly, "Operation Warp Speed' references the possibility of some corporate donations of resulting drugs but does not mention any public control over manufacturing or pricing decisions" (Heled, Rutschman, and Vertinsky 2020, 18-19). This non-interference of the government facilitates the moral irresponsibility of Gilead which is contrary to the doctrine of the common good.

In addition, Gilead can be considered as acting in bad faith as there is no indication that Gilead consulted with any of its public partners and collaborators when deciding to patent Remdesivir and cease R and D efforts with public agencies to pursue its own capitalist designs of this drug for the COVID-19 pandemic. When the WHO panel pronounced Remdesivir as the most promising therapeutic candidate against the new virus in January 2020, Gilead continued its own research and clinical trials and showed to the public as the best hope in the fight against COVID-19. This resulted in the company's high stock price increase even as the US and global stock markets and world economy are declining (Heled, Rutschman, and Vertinsky 2020). After its failure to treat Ebola in 2014, Remdesivir was tested and became a global hit when the initial test showed that it can shorten recovery times for severely ill COVID-19 patients (Hsu 2020, 1).

If Remdesivir is not exclusively owned by Gilead Sciences, then the company acts against its own values which count "personal responsibility" and "doing what is right" as two of its core values. It cannot claim complete ownership by patenting it as privately owned. As already mentioned, this drug is a joint endeavor between Gilead and government agencies and is largely funded by the federal government. Individuals and organizations may own private property but not when the product is communally developed and is used to save lives during major emergencies such as the COVID-19 pandemic.

# Conclusion

The lack of state intervention and concern for the common good have greatly influenced drug makers' quest for profit for their COVID-19 medicines, which is contrary to their moral obligations and violate moral principles on distributive justice, moral purpose of business and profit, and the common good. Government subsidies, scientific assistance, and the non-interference to the pricing of the COVID-19 medicines had resulted in drug makers' maximization of profit and corporate moral irresponsibility that jeopardize the common good and public access of patients to essential medicines during the pandemic. The Catholic Church teaches that the moral purpose of private ownership, as well as business and profit is to serve the common good. To achieve distributive justice and the common good, the state has an obligation to interfere in the economy and market to avoid monopolies and arbitrary pricing of essential medicines such Remdesivir during COVID-19. The federal government's tolerance of drug makers' profiteering despite receiving public subsidies and funding for their drug development has led to "double payment" by people and corporate moral irresponsibility that violated distributive justice, which requires that all goods of this earth, including essential medicines, must be shared by all. Gilead patented and exclusively owned Remdesivir and sold it at unreasonable prices, given the fact that its development is largely participated by government scientists and funded by the federal government. Gilead's appropriation of Remdesivir and pricing policy are contrary to Catholic doctrine on private ownership and the common good.

To counteract the drug makers' corporate moral irresponsibility to the ownership, sale, and pricing of anti-COVID medicines during the current pandemic, this author recommends stricter monitoring and regulation of the United States Congress which has legislative power to regulate big business and oversight function of the pharmaceutical industry. It also recommends mobilizing public health international non-governmental organizations (NGOs), especially Catholic organizations, to pressure state authorities and the federal government to intervene in the medical markets, lower the price of essential medicines, suspend the patents, and allow generic versions of the anti-COVID drugs such as Remdesivir to protect the common good. Catholics must also exercise their spirituality of social transformation and participate in mass actions to achieve distributive justice in the global healthcare system during the COVID-19 pandemic.

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### **ORCID** iD

Vivencio O. Ballano () https://orcid.org/0000-0002-2013-6429

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### **Biographical Note**

**Dr. Vivencio O. Ballano** is Faculty Researcher (FR) of the Research Institute for Human and Social Development (RIHSD) and Associate Professor V of the Department of Sociology, Polytechnic University of the Philippines (PUP), Manila, Philippines. He received his doctorate in sociology and master's degree in theology from the Ateneo de Manila University. He is the author of three Scopus-indexed books published by Springer Nature (Singapore). He has published articles on sociology of religion, Catholic social thought, disaster recovery, and sociology of law in top peer-reviewed Web of Science- and Scopus-indexed journals. Recently, PUP awarded him Gold Medal for his excellence in international publication (2021 *Lathala* Award).