

## Chapter 12

# Corporate Social Responsibility of Pharmaceutical Industry Towards Access to Medicine: A Case Study of GlaxoSmithKline

**Rakhi Rashmi**

*London School of Business and Finance, UK*

### **ABSTRACT**

*India has changed its patent policy in 2005. It was compliance to WTO TRIPs provision and after this there was prohibition on process or generic manufacturing. India is the biggest supplier of affordable generic medicines and this patent protection is said to be beneficial to novel drug manufacturing countries. The generic drugs can be a differentiation factor between lives starting point and the ending point for millions of people in developing countries. This remains an obstacle to inexpensive generic medicines which results in devastating impact on the poorer people. These patent laws allow large MNC's to place 'profits over people'. World Health Organisation report price of medicines are important for maintaining the affordability and access of the medicines. This research evaluates the strategies and practices of Glaxo Smith Kline in contribution towards the access to medicines and their contribution of corporate social responsibility in India.*

DOI: 10.4018/978-1-5225-1040-6.ch012

## **INTRODUCTION**

### **Background of the Study**

India has changed its patent policy in 2005. It was compliance to WTO TRIPs provision and after this there was prohibition on process or generic manufacturing. India is the biggest supplier of affordable generic medicines and this patent protection is said to be beneficial to novel drug manufacturing countries. The generic drugs can be a differentiation factor between lives starting point and the ending point for millions of people in developing countries like Malaysia, Zimbabwe, South Africa and few other countries. This remains as a as an obstacle to inexpensive generic medicines which results in devastating impact on the poorer people. These patent laws allow large MNC's to place 'profits over people'. Glaxo Smithkline a multinational company also makes 'Profits over people'. This means that the company has the advantage of a twenty year monopoly over life saving drugs and they gain high profit margins. It is estimated that GSK makes a profit of \$6 billion.

In 2008 the human rights guiding principles for pharmaceutical firms that deals with access medicines was circulated by United Nations Human Rights Council provided sector specific guidance in promoting access to medicines. Pharmaceutical industry's unique responsibility is health because they bring a vital function in sustaining the standard of lives. (Forman and Kohler, 2012). These expect the pharmaceutical companies to recognize the practice of exercise to the highest attainable standard of health. Societal expectations are extending beyond the making of ethical profits and it is an example of the fact that societal expectations are extending beyond minimum ethical standards of practice, Millennium Development Goals(MDGs) a eight time bound targets were established as a cut-off period, the year of 2015(Millennium project 2006). In UN during the Millennium summit the global leadership heads gathered and proceeded with the UN Millennium Declaration. This was adopted with an intention of devoting their countries to a fresh and a new universal relationship to minimise poverty in various proportions. 48 millennium Development goals, in which 18 Goals are health related.

The main target is to improve the availability of medicines and a proper health factors which remain necessary for the people will not be accomplished without medicines and this particularly improves the availability of medicines for poor with cooperation of pharmaceutical companies. This Research Problem has achieved global recognition, and a worldwide demand has been made for the availability of medicines for the poor patients. (Leisinger, 2008). The pharmaceutical companies have right to health responsibilities that exceed legal and ethical requirements and it has right to health. CESCR (Committee on Economic, Social and Cultural rights) states that the non-public firms have duties concerning the right to health. This guid-

47 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: [www.igi-global.com/chapter/corporate-social-responsibility-of-pharmaceutical-industry-towards-access-to-medicine-a-case-study-of-glaxosmithkline/169523](http://www.igi-global.com/chapter/corporate-social-responsibility-of-pharmaceutical-industry-towards-access-to-medicine-a-case-study-of-glaxosmithkline/169523)

## Related Content

---

### Identification of High Risk and Low Risk Preterm Neonates in NICU: Pattern Recognition Approach

S. Tejaswini, N. Sriraam and Pradeep G. C. M. (2020). *Biomedical and Clinical Engineering for Healthcare Advancement* (pp. 119-140). [www.irma-international.org/chapter/identification-of-high-risk-and-low-risk-preterm-neonates-in-nicu/239079](http://www.irma-international.org/chapter/identification-of-high-risk-and-low-risk-preterm-neonates-in-nicu/239079)

### Comparative Study of Fuzzy Entropy with Relative Spike Amplitude Features for Recognizing Wake-Sleep Stage 1 EEGs

Natarajan Sriraam, B. R. Purnima and Uma Maheswari Krishnaswamy (2015). *International Journal of Biomedical and Clinical Engineering* (pp. 12-25). [www.irma-international.org/article/comparative-study-of-fuzzy-entropy-with-relative-spike-amplitude-features-for-recognizing-wake-sleep-stage-1-eegs/138224](http://www.irma-international.org/article/comparative-study-of-fuzzy-entropy-with-relative-spike-amplitude-features-for-recognizing-wake-sleep-stage-1-eegs/138224)

### Classification of Breast Thermograms Using Statistical Moments and Entropy Features with Probabilistic Neural Networks

Natarajan Sriraam, Leema Murali, Amoolya Girish, Manjunath Sirur, Sushmitha Srinivas, Prabha Ravi, B. Venkataraman, M. Menaka, A. Shenbagavalli and Josephine Jeyanathan (2017). *International Journal of Biomedical and Clinical Engineering* (pp. 18-32). [www.irma-international.org/article/classification-of-breast-thermograms-using-statistical-moments-and-entropy-features-with-probabilistic-neural-networks/189118](http://www.irma-international.org/article/classification-of-breast-thermograms-using-statistical-moments-and-entropy-features-with-probabilistic-neural-networks/189118)

### Quality of Health Information on the Internet

Kleopatra Alamantariotou (2009). *Handbook of Research on Distributed Medical Informatics and E-Health* (pp. 443-455). [www.irma-international.org/chapter/quality-health-information-internet/19952](http://www.irma-international.org/chapter/quality-health-information-internet/19952)

## Biocompatible Carbon Nanodots for Functional Imaging and Cancer Therapy: Carbon Nanodots for Imaging and Cancer Therapy

Alexandre Roumenov Loukanov, Hristo Stefanov Gagov, Milena Yankova Mishonova and Seiichiro Nakabayashi (2018). *International Journal of Biomedical and Clinical Engineering* (pp. 31-45).

[www.irma-international.org/article/biocompatible-carbon-nanodots-for-functional-imaging-and-cancer-therapy/204399](http://www.irma-international.org/article/biocompatible-carbon-nanodots-for-functional-imaging-and-cancer-therapy/204399)