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Bubbles burst...

Here's some advice for people who play the stock market: take a good look at "2003: the year in review" (pages 71-76), and compare our findings with drug company share performance. Something is wrong...

Examine the true added value (therapeutic, not financial) of most new drugs marketed in the last 5 or 10 years. Where are the promised fruits of biotechnology, apart from artificially swollen drug prices? And what further benefits can patients get from the current waves of me-toos, range extensions and "Russian-doll" indications?

Prescrire's editorial team is made up of active health professionals who prescribe and dispense drugs on a daily basis, and what they are saying is: take cover! They see a growing gulf between drug company claims and the real situation in hospitals and doctors' offices; they see a plethora of "new" drugs with no added therapeutic value; and they perceive a growing gap between the pharmaceutical sector's reputation as a safe investment and the increasingly fragile drug development and manufacturing base.

There is little chance that important new drugs will arrive on the market in the next few years. And there is no discernible global public funding plan for research on diseases that lack treatment. Despite delaying tactics by the pharmaceutical industry, the prices of commonly used drugs will inevitably fall with the demise of market monopolies and growing generic competition.

Many drug companies are skating on thin ice. They have gradually succeeded in eroding regulatory authority requirements and shortening lab-to-market times. The astronomic prices they demand for their "new" products further hasten the failure of national health care systems. They are using advertising and biased information to target the public directly, bypassing health professionals. Behind a thin veil of "grants", "partnerships", "studies", "training", and "conferences", they have created a network of influence and financial dependence. They have enrolled a fifth column in universities, administrations, health authorities, and politics to defend their short-term financial interests.

But this bubble will inevitably burst. Investors should take a good look at what's going on, and find somewhere safer and more useful to place their money.

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