

**Spotlight on Session IV discussion organized by the Young Evian Group  
Comments contributed by symposium delegate Dr. Sunil Chacko**

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**On public health, concentrate more on business aspects such as aggregating demand to ensure bulk purchase discounts rather than the legality of whether or not to engage in compulsory licensing.**

The right to undertake compulsory licensing for public health emergencies both for the generic producer-country, and for export, is already guaranteed by the TRIPS Agreement. Any perceived misuse of this right by a country, however, will bring with it the perception of disrespect for intellectual property rights (IPR) and possibly loss of confidence on the part of some potential foreign direct investors. On the other hand, populations as a whole may be sympathetic to those countries with large numbers of people too poor to afford even steeply discounted original medical products and may therefore overlook quality reverse engineering of molecules for genuine health problems.

This general sentiment can be discerned from periodic surveys of public opinion in OECD countries. The health problems alluded to may include the rising incidence of cardiovascular diseases and cancers in developing countries, as well as the infectious diseases challenges such as AIDS, TB and Malaria. Indeed, newer medical biotechnology products especially against cancer may well fit this pattern because it is hard for the original discoverer/developer of such medicine to drop the price to pennies per dose because of the years of R&D investment. For the time being, so long as there is no leakage back to industrial markets, pharma/biotech companies—also comprised of many compassionate individuals trying to do their best for shareholders and society—may be satisfied privately while continuing to express their disagreement publicly.

**While being a strong supporter of the job-creation, and growth-generating power of Foreign Direct Investment (FDI), Dr. Chacko cautioned that developing countries need to build capacity to ensure that companies functioning therein maintain quality standards in environmental and health issues.**

For instance, developing countries hosting FDI ought to have the capacity to monitor allegedly toxic emissions from factories. Indeed, one can argue for a global role for such work to be done by independent monitoring groups, work that is accepted as the norm in the human rights field. Dr. Chacko highlighted the important role of expatriate Chinese numbering about 50 million people who generate annual economic activity of \$700 billion and move large amounts of FDI into China. They bring not only finance, but also skills and expertise. Expatriate Indians, too, on a lesser scale have been involved in the case of India. Instead of seeing expatriates as a drain, it is time to see them as a resource that brings in not only FDI but also annual remittances. Indeed, such remittances—about US\$ 60 billion—exceed all foreign aid totaling about US\$ 53 billion.

Also trained in information technology (IT), Dr. Chacko mentioned his founding role in the team that built the World Bank Group's IPAnet, the first online means of promoting FDI through networking investment promotion agencies (IPAs) around the world. Financed by the Government of Japan, the IPAnet began in 1995 and continues to be an online resource with periodic evolutions. [www.ipanet.net](http://www.ipanet.net)