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# Europe Negotiates A Poor Vaccine Rollout



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Policy

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A visitor arrives at a Covid-19 vaccination center in Rome, Italy, on Wednesday, March 17, 2021. ... [+] © 2021 BLOOMBERG FINANCE LP

Several European countries **just instituted** another round of lockdowns amid a new wave of Covid-19 cases.

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The countries' vaccination rates offer an explanation. Europe has inoculated [far fewer people](#) than the United States. So while Americans may enjoy some semblance of normalcy by summer, Europeans may face dark days ahead.

Unfortunately, European countries can only blame themselves for their slow vaccine rollouts—and the case spikes that have resulted. Their governments decided decades ago that they cared more about limiting drug prices than delivering cutting-edge, life-saving medical innovations to their people. Those decisions informed how they bungled negotiations with Covid-19 vaccine makers.

Months before regulators approved the vaccines, most developed countries struck deals with manufacturers to order hundreds of millions of doses. The EU did secure lower prices. It's paying [\\$15 to \\$19 per dose](#) for the Pfizer-BioNTech vaccine—less than the [\\$20 a dose](#) the United States agreed to pay.

But negotiating for those prices wasted time. By [building a purchasing bloc](#) of its 27 member states, the EU signaled it planned to drive a hard bargain. Other countries—including the United States, United Kingdom, and Israel—were [happy to pay](#) a premium to make their deals first.

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Europe had other problems, too. Each country had its [own set](#) of opinions, biases, and beliefs on whether to trust unproven vaccine technology, or whether states with pharmaceutical industries were using the negotiations

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chart its own course on vaccines—and put a premium on speed over price.

Then there's Europe's recent antipathy toward vaccines. Duane Schulthess, a European pharmaceutical consultant, [told POLITICO Europe](#) that drug companies had been pulling out of the continent for years because its denizens were growing more and more vaccine-hesitant.

In the end, the United States and Great Britain [struck deals](#) with vaccine makers earlier, authorized the shots for use earlier, paid more, and had more of the infrastructure to make them. It's no wonder they got vaccines [earlier than Europe](#).

The EU's price-saving gambit will end up being very costly. David Leonhardt from *The New York Times* wrote that that the EU could expect to save [\\$1 billion for every dollar](#) it negotiated off the price of a vaccine dose. The economic losses of sustained lockdowns, not to mention the economic value of the lives lost to Covid-19, will be many times those savings.

A [February analysis](#) from Euler Hermes, an insurer found that a five-week delay in the continent's vaccination campaign would cost its economies 90 billion euros—about \$108 billion.

Price controls and bureaucracy aren't new problems for the European Union. Its member countries routinely cap prices on new, life-saving treatments, essentially denying patients access to them when firms refuse to sell at a loss.

Americans have access to nearly nine in ten of all new medicines approved globally between 2011 and 2019. Patients in Germany and France have access to just 63% and 50% of those new drugs, respectively.

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new medicines are invented in the United States. Over 90% of the time, companies sell a new medicine in the United States before any other country.

The European Union's quest to save a few euros on Covid-19 vaccines may lead to the deaths of thousands of its denizens. It's a grim reminder of the negative consequences of government price controls on life-saving pharmaceuticals.

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