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EUROPEAN PHARMACEUTICAL TNCS: COUNTERMEASURES OF HIDDEN INFLUENCE

The processes of transnationalization become an essential part of modern economic development. Nowadays transnational corporations with huge scientific and market potential have reached the level of effecting the interests of the countries and regions all over the world. TNCs become equal participants of the global economic system.

The research was conducted on the basis of studying the transnational capital's impact of the European pharmaceutical TNCs on the EU government political and economic decision-making, hidden causes and consequences of such exposure.

The purpose of the article is to develop supranational mechanisms to contain the hidden influence of pharmaceutical TNCs in the EU.

The EU, Brussels and Strasbourg in particular, are the heart of decisions that will affect medicines in 28 EU countries and many nations beyond Europe. The EU has the power to legislate on intellectual property policies and competition laws that can affect cheaper generic medicines, as well as the approval of medicines for sale in Europe that are safe, effective and of high quality.

While EU policy has a tremendous effect on national legislation in Europe, some decisions about medicines are still made only at the national level. For example, only national policy makers decide which medicines will be reimbursed by the country's healthcare system. Pharmaceutical companies likely diffuse some of their lobbying resources among European countries. However, the EU wields a concentration of power not found at the national level. For example, the EU can expand companies' market access to countries outside the EU through trade

agreements, resulting in generous global profits for drug makers. It is reasonable to expect companies to allocate the largest budget to lobby the EU government.

According to the EU Transparency Register, 23 pharmaceutical companies spend a combined total of 18.9 million euros on in-house interest representation annually. Based on these claims, each company invests on average 820,000 euros to influence EU policy formation and decision-making, although this could be a drastic underestimation of the true value.

Confirming the existence of huge lobby the EU government by pharmaceutical TNCs W.Wodarg presented the report "The handling of the H1N1 pandemic: more transparency needed". He claimed, that the way in which the H1N1 influenza pandemic had been handled, not only by WHO, but also by the competent health authorities at the level of the European Union and at national level, gave rise to alarm.

International law, as it currently stands, is woefully inadequate for the regulation of TNCs. And then there is the question of power imbalance in the international system, which has so far favoured TNCs. Notwithstanding these realities, a new, albeit unwitting, international order of corporate regulation is beginning to emerge. Voluntary regulation has become the vogue, and the cultivation and dissemination of best practices is being urged. The paradigm is shifting from the position that corporations ought to be free to do as they please to a regime that recognizes the need for responsible behaviour in the conduct of business.

Described in this study, examples of the pharmaceutical lobby the political and economic EU government decisions make a negative impact on the effective provision of the health care. To solve this problem it was determined the need for increasing transparency lobby the EU government by pharmaceutical TNCs. Without a clear view of the lobby resources and manpower wielded in Brussels, it is impossible to understand the powers at play behind EU decisions. In addition, a binding international regime of corporate accountability established by the UN Sub-Commission should help in the fight or at least, limit social activities of irresponsible

pharmaceutical multinationals. Further introduction of mandatory standards will help compensate for their activities.

Besides, it was determined, that the EU citizens has to be empowered and enfranchised to meaningfully participate in the implementation of regulatory initiatives, particularly as regards their supervision and monitoring.

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