(How) Can we do better? Lessons from HIV-Aids

Amar Bhidé
www.bhide.net

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Today’s talk:

• Nature and role of “massively multiplayer” innovation

• HIV-Aids as a partial -- and exceptional – case in medicine

• Barriers to multi-player medical innovation

• What might be done?
Non-medical innovation

Vastly improved by inclusive contribution

- Much more broad-based than during the 1st and 2nd industrial revolutions
- Highly accretive and decentralized
- Faster diffusion of ideas makes effective use critical
- Effective use a function of venturesome consumption

(Very poorly measured by TFP)
Rolling back HIV-Aids: a multiplayer success

Tale of our times

- Apes to humans in the 1920s
- Outbreak in the early 1980s, pandemic by the mid-1990s
- Dramatic drop in death rates, infections level off
- Now a chronic condition, not a death sentence
Death rates for HIV disease for all ages

NOTE: HAART is highly active antiretroviral therapy.
SOURCE: CDC/NCHS, Health, United States, 2013, Figure 24. Data from the National Vital Statistics System.
Correspondence with multi-player pattern

Multifarious cast

- Evident from the outset
- Interconnected advances in transmission control, testing and treatment
- Accretive: incremental advances + novel discoveries
- International collaboration and rivalry
- Value where most used (but poorly captured in national accounts)

An important difference – no improvised entrepreneurs
Why is medical innovation usually not multiplayer?

Age-old restrictions on who can practice

- Practice limited to accredited, university trained physicians
- Trade-offs from collectivized canon: cohesion and consistency vs. closed mindedness
- Exclusion of “outsiders” from innovation
- Contrast with other fields

Physician-patient relationship

- Artisanal
- Compliance vs venturesome consumption

Church and State

- Traditional
- FDA
How can medical innovation be made more multiplayer?

Some changes but arguably far from sufficient.

Possible reforms?

- Relaxing credentialism
- Limit FDA to safety
- Anti-trust enforcement against hospitals
- New IP regime to promote continuous innovation