

Making Africa healthy

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Take Kenya's strong pharmaceutical industry, for instance. Import substitution was instrumental in laying the groundwork for growing the industrial base, the authors argue, followed by liberalisation and a consequent expansion of the strongest firms. This incubation approach worked, since the Kenyan pharmaceutical industry recorded continuous growth between 2007 and 2013, a period in which total production of tablets, capsules, liquid preparations for oral use and creams alone increased from US\$ 34.1 million to \$ 154 million and the sector is now busily exporting to other sub-Saharan countries. On the other hand, neighbouring Tanzania's pharmaceutical industry, which was established later and shaped by more explicitly state-driven policies than Kenya's, has been declining since 2009 due to factors such as the fragmented structure of the industry, and technological and financial issues, which have made it hard to match competition from imports. By 2013, only five locally operating firms remained on the market, compared to eight firms in 2009. Meanwhile, in South Africa, the government's price controlling policy on medicines led to an average drop in medicine prices of 24% between June 2003 and June 2006, according to IMS Health, which may hold lessons for policymakers today.

A number of countries in Africa have viable pharmaceutical industries, which could be further bolstered by reform, such as the strengthening of regulatory

authorities, regional market consolidation and reforming public procurement processes. Trade among sub-Saharan African countries has been gaining in importance and could bring price and technical benefits. In *Making Medicines in Africa*, the authors are optimistic that a thriving pharmaceutical industry in sub-Saharan Africa could serve as a catalyst for both improving healthcare and fostering economic development, too.

References

Mackintosh, Maureen, et al. (eds.) (2016), *Making Medicines in Africa: The Political Economy of Industrializing for Local Health*, Palgrave Macmillan
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