

THE PRICE OF BLOOD

By Evan Anderson

In a report last year, Asia Catalyst examined the problems created by China's contaminated blood supply by offering a comparative look at ways other countries dealt with the issue. In this update, research consultant Evan Anderson focuses on the market forces of supply and demand related to the blood scandals.

With all the excitement and attention it brings, the upcoming summer Olympics provide an auspicious opportunity for social change and economic development in China. In preparation for this international event, Chinese authorities are cleaning up Beijing: cleaning streets, improving air quality, and even launching campaigns to encourage residents to stop spitting. There's one more thing China should aim to clean up before the world comes to Beijing, however—its contaminated blood supply.

It is well known that HIV/AIDS spread rapidly to large segments of the Chinese population through blood supplies in the 1990s, especially in Henan Province. As reported in the *New York Times* in the early 2000s, tens of thousands of rural villagers contracted HIV/AIDS while being paid to participate in unsafe blood collection programs. However, despite significant progress on fighting AIDS, China's blood supply continues to be tainted by the AIDS virus. Authorities need to take additional steps to regulate blood collections and compensate the thousands victimized by the HIV outbreak in China's blood supply.

Since the initial blood scandal in the 1990s, China has outlawed the sale of blood and has attempted to stop illicit markets in blood from operating. However, blood is still harvested in illegal sales, and that blood still continues to filter into blood banks and hospitals. Not only are those that participate in these inherently risky blood sales at high risk of HIV/AIDS and other blood-borne harms, but patients who check into hospitals for routine surgeries around the country are at

risk of exposure to HIV/AIDS as a result of hospital transfusions.

While many of the details of its experiences with its supply of blood are striking, China is hardly alone in grappling with the consequences that always result from making blood a market commodity. Most other countries have faced similar problems, and have struggled with how to address them. In the 1980s, thousands of people in the United States, Japan, France, and Canada contracted HIV/AIDS through contaminated blood supplies. In many instances, the influence of private industry and the operation of market forces were decisive factors. After a series of dramatic international scandals in the middle and late 1990s, most countries resolved the problems that sparked their respective blood supplies.

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China has made significant progress over the last few years in creating medically-sound regulations, but the blood supply remains vulnerable nonetheless. However, both blood sales and the use of black-market blood in hospitals continue. Successful elimination of these problems in China has been elusive for many reasons, but chief among them is the unique value of blood on the open market. Blood is literally the life source of humans; when properly administered it can save and extend lives. There is seldom enough spare blood in blood banks for those in need of transfusions. This scarcity makes blood lucrative. At about US\$100 a bar-

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Because of its monetary value, blood has always presented an enticing opportunity for profit-seeking entrepreneurs. Historically, that opportunity has been even more tempting because blood is accessible from many people, including the poor, under-privileged, and marginalized. In the blood sales in Henan and other provinces in the 1990s, businessmen called “blood heads” traversed the countryside encouraging villagers and cash-strapped farmers to sell their blood and plasma. Donors typically received about 50–200 *yuan* for each donation. Many donors went to several blood collection centers, or used fake names in order to donate more often.

The terribly unhygienic process of collecting plasma—just one example of the risks profit-seeking opportunists

and impoverished people are willing to take—probably accounted for most of the HIV transmissions. Plasma is valuable for its use in treating chronic blood deficiencies like hemophilia. Plasma is usually harvested by separating out blood components from “whole blood” in a centrifuge. Because one person’s donation of blood yields little valuable blood product, the blood of many donors is pooled in the centrifuge. This pooling process exposes blood products to high risks of contamination by all sorts of pathogens; one person’s HIV-positive blood can be spread into hundreds and even thousands of units of blood product. In Henan and some other regions, “blood heads” re-injected the unused blood components from the centrifuge back into villagers after the plasma had been separated so that the villagers would not become anemic and could sell blood again more quickly. This practice infected thousands of villagers, perhaps a million or more in Henan alone.

In the wake of the Henan blood scandal, the government closed all commercial plasma centers. In 1997, the

Farmers walk past an HIV/AIDS awareness board in Henan Province, where U.S. Ambassador to China Clark Randt opened the USCDC/Global AIDS Program. Photo credits: REUTERS/Frederic J. Brown.



central government enacted regulations that detailed procedures for blood collection, the supervision of the industry, and the punishments for those who violated the law. Authorities also began to promote voluntary blood donation as a safer alternative to the inherently risky sale of blood. By October 1999, the State Council had passed the Blood Donation Law, which mandated testing of blood donations. However, almost as soon as the law was enacted, experts within China began raising concerns about the obstacles to enforcement of the law in rural regions, where lucrative incomes could still be made from the underground blood trade.¹

Economic pressures are created by China's extensive, but under-funded public health system. Chinese hospitals, and especially those in impoverished rural areas, must continually seek ways to supplement their incomes. Expensive blood transfusions can bring a much-needed transfusion of cash to a struggling hospital or small-town clinic. With an inadequate supply of legal blood and blood products to meet the demand, some local hospitals and clinics reportedly turn to illegal, underground blood brokers who do not screen donors or test their blood for HIV.

In the face of this compelling market-driven demand, central authorities have launched periodic crackdowns and national campaigns for blood safety. The crackdowns have included destruction of HIV-positive blood stockpiles, dozens of arrests, and the closures of hundreds of blood collection stations.² Authorities have joined forces with the Red Cross to promote a national program of blood donations.³ Yet the market-driven demand for blood and blood products has continued to provide a steady stream of illegal, underground, and untested blood for hospitals that desperately need to boost their supplies. Thus, in 2000, five years after the state began to take steps towards ensuring the safety of its blood supply, China's then-Minister of Health Zhang Wenkang acknowledged that China "still has a long way to go to guarantee blood safety."⁴ Seven years later, in June 2007, the Ministry of Health announced that "the phenomenon in some areas of paying for blood supplies, or making money from blood, still exists, and there are hidden dangers for blood safety."⁵

Periodic press reports reveal illegal operations in which

blood brokers bus people in from other towns in order to sell their blood illegally.⁶ Worse, as Ministry of Health spokesman Mao Quan'an observed to a reporter in 2004, hospitals and health clinics often rely on high-risk populations for blood supplies and sometimes fail to perform adequate laboratory testing.⁷ Health officials estimate that, despite frequent government crackdowns on illegal blood sales, up to 20 percent of the clinical blood supply continues to depend on paid blood sales.⁸

China has announced plans to more carefully scrutinize the licenses of blood collection centers⁹ and may even start video monitoring of blood collection work.¹⁰ Less than a month after Asia Catalyst's report, *AIDS Blood Scandals: What China Can Learn from the World's Mistakes*, was released last summer, China announced new and more comprehensive blood supply regulations, including centralized testing of all blood products—a key recommendation of our report. This is encouraging.

By enlarging national supplies of well-regulated blood, the role of the private, and often black-market, industry in blood markets will recede. This is not an easy task for any country, but for China, it is the price of blood.

But while the worst of the catastrophe is in the past, the threat to the future is real. The demand for blood and blood products is increasing both in China and beyond.¹¹ As demand grows, so too do the economic pressures that drive illegal blood sales and the use of such blood in hospitals. In the coming years, China's demand for blood and plasma will only increase, creating a heightened risk to the blood supply.

International law guarantees everyone the right to the highest available standards of health—a right that should include the highest available standards of blood safety. According to the Universal Declaration of Human Rights (UDHR), everyone is entitled to "a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services."¹²

China must address the industrial, economic, and social forces at play in the blood market. Black markets are remarkably robust and can seldom be eradicated by sheer force of prohibitory law. Private industry is seldom capable of restraining itself from profitable actions. It is the role of governments to restrain market forces that encourage unhealthy industrial practices.

China can take positive steps forward by attacking these market forces. On the demand side, China should follow the example of other countries and establish a centralized, national blood bank. In doing so, regional shortages would not produce spikes in the price of blood, which make illegal blood sale operations so profitable for illicit blood brokers. On the supply side, China needs to continue to improve its testing, tracking, and monitoring of blood donations. By enlarging national supplies of well-regulated blood, the role of the private, and often black-market, industry in blood markets will recede. This is not an easy task for any country, but for China, it is the price of blood.

This article is adapted from: Asia Catalyst, *AIDS Blood Scandals: What China Can Learn from the World's Mistakes*, (New York: Asia Catalyst, 2007), <http://www.asiacatalyst.org>.

Notes

1. "130 People Contract AIDS from Blood Transfusions," *Financial Times*, January 1, 1999.
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3. "PRC Urges More Blood Donations to Reduce HIV/AIDS Risk," Xinhua News Agency, December 13, 2001.
4. "Donation Vital to Blood Safety: Health Officials," Xinhua News Agency, April 7, 2000; China AIDS Survey, China HIV/AIDS Blood Supply Chronology, <http://www.casy.org/chron/BloodSupply.htm>.
5. "China says faces threat from illegal blood sales," Reuters, June 14, 2007, <http://www.netscape.com/viewstory/2007/06/14/china-says-faces-threat-from-illegal-blood-sales?url=http%3A%2F%2Fwww.reuters.com%2Farticle%2FhealthNews%2FidUSPEK766120070614&frame=true>.
6. "China Faces Uphill Battle to Stop Deadly Blood Sales," Agence France Presse, December 7, 2003; "College Students Among Sellers of Blood to Make Money," Agence France Presse, December 7, 2003; both available at www.casy.com.
7. Zhang Feng, "Suppliers of Blood Under Investigation," *China Daily*, July 30, 2004, http://www.chinadaily.com.cn/english/doc/2004-07/30/content_353069.htm.
8. *Ibid.*
9. "Blood center licenses will be revoked if they fail to meet regulations," June 14, 2007, <http://english.pravda.ru/news/society/14-06-2007/93357-blood-0>.
10. "China orders video monitoring of blood collection," Reuters, July 11, 2007, <http://www.reuters.com/article/healthNews/idUSPEK6700020070711>.
11. "China Blood Product Industry Report, 2006–2007 Is Available Now," Biotech Finances, July 13, 2007, http://www.biotech-finances.com/?page=cp&cp_id=18068&cp_page_nb=3.
12. Article 25(1) of Universal Declaration of Human Rights (UDHR), G.A. res. 217A (III), UN Doc A/810 (1948); available in English at <http://www.unhchr.ch/udhr/lang/eng.htm>, in Chinese at <http://www.unhchr.ch/udhr/lang/chn.htm>.