## Globalisation and health

David Legge
IPHU, Cape Town, June 2012

# Exploring the links between health development and globalisation

#### Purpose

- to explore the links between global health and globalisation
- including both economic configuration and the prevailing regime of global economic governance
- in order to identify directions and strategies for change

#### Method

- review some key episodes in global health policies since WW2 against the
- changing dynamics of the global economy
- and contemporary movements in the sphere of global economic regulation

### 'Globalisation'

- Global village
- Global economic integration
- Global regime of economic governance

### Globalisation as the 'global village'

- Communications, travel and transport
- Health issues
  - communicable disease, SARS, H<sub>5</sub>N<sub>1</sub>, yellow fever
  - tobacco

# Globalisation as a configuration of economic activity

- Changing patterns of production and trade, financial flows and investment, wealth accumulation and income flows
  - global markets, global sourcing
  - foreign direct investment
  - role of transnational corporations
  - increasing size and power of the financial sector
  - changing patterns of production and employment

## Globalisation as a regime of economic (and political) governance

- Formal regulatory structures: multilateral institutions and agreements (UN, WHO, IMF, WB, WTO)
- Empires, big powers and nation-states
- Disciplines of the market place
- Transnational corporations (and peak bodies)
- Classes, constituencies and social movements
- Information, knowledges and discourses

#### Events, Reports, Struggles

- 1944: Bretton Woods (IMF, WB, GATT)
- 1950s: Health development policy: DDT, doctors and hospitals, population control
- 1955: Bandung Conference and birth of the Non-Aligned Movement (more confident TW voice)
- 1964: UNCTAD 1 (and G77) leads to call for New International Economic Order in May 1974
- 1973: First OPEC price rise
- 1977: Last case of small pox
- 1978: Alma-Ata Declaration (PHC, reference to NIEO)
- 1978: Deng Xiaoping initiates modernisation in China
- 1975-80: Onset of stagflation, end of the long boom, emergence of monetarism
- 1981: escalating interest rates, debt trap sprung
- 1981: 'Selective PHC' (the response to Alma-Ata)
- mid 1980s onwards: IMF develops and imposes SAPs
- 1980s: rise of AIDS/HIV
- 1987: 'Adjustment with a Human Face'
- 1989: Break up of the Soviet Union
- 1991: USTR attacks Thai administration over pharmaceuticals policies
- 1992: WHO: 'Health Dimensions of Economic Reform'
- 1993: WB: 'Investing in Health' (virtuous cycle story, SAPs compatible with health development!, new interventionism)
- 1995: WTO established
- 1995: MAI saga OECD drives for MAI; defeated by social movements (1998) (note role of NGOs and internet; note also continuing push in WTO under 'Singapore issues')
- 1997: Sth African parallel import legislation passed, challenged
- 1999: PRSPs implemented (new and improved SAPs)
- 1999: WTO in Seattle: outrageous process; dramatic protests
- Dec 2000: People's Health Assembly and People's Charter for Health
- 2000: USTR withdraws threats to Thailand over compulsory licensing of DDI after 12 years of pressure
- April 2001: Norway Conference (WHO accepts differential pricing)
- April 2001: Defeat of big pharma in South Africa (note role of MSF and global social movements)
- June 2001: CMH Report (warning about health and stability; virtuous cycle story repeated, 'CTC model' and scaled up interventionism; reliance on increased aid (and GFATM) and PRSPs)
- Sept 2001: 9/11
- Nov 2001: Doha and the Statement on Public Health (Para 6 and compulsory licensing; note rearguard action by US)
- Oct 2002: Bristol Myers Squib defeat in Thai DDI case
- Mar 2003: Invasion of Iraq (US unilateralism; widespread opposition; note limits to US power)
- Oct 2003: Negotiations for US Thai FTA commence (at risk: comp licensing, data access, extended IPRs)
- Nov 2003: Cancun: G22 stands up to G7; deadlock over agriculture and 'Singapore issues'; US moves to bilateral and regional FTAs
- Nov 2003: Miami FTAA-lite (US knocked back by Latin America)
- Jan 2004: IMF report critical of US twin deficits
- Jan 2007: Emergence of sub-prime mortgage crisis
- Dec 2008: Global recession

### Bretton Woods to AIDS/HIV (1944-85)

- 1944: Bretton Woods (IMF, WB, GATT)
- 1950s: Health development policy: DDT, doctors and hospitals, population control
- 1955: Bandung Conference and birth of the Non-Aligned Movement (more confident TW voice)
- 1964: UNCTAD 1 (and G77) leads to call for New International Economic Order in May 1974
- 1973: First OPEC price rise
- 1977: last case of small pox
- 1978: Alma-Ata Declaration (PHC, reference to NIEO)
- 1975-80: Onset of stagflation, end of the long boom, emergence of monetarism
- 1981: escalating interest rates, debt trap sprung
- 1981: 'Selective PHC' (the response to Alma-Ata)
- mid 1980s onwards: IMF develops and imposes SAPs
- mid to late 1980s: rise of AIDS/HIV
- 1987: 'Adjustment with a Human Face'

## Break up of Soviet Union to Seattle (1985 - 2000)

- 1989: Break up of the Soviet Union
- 1991: USTR attacks Thai administration over pharmaceuticals policies
- 1992: WHO: 'Health Dimensions of Economic Reform'
- 1993: WB: 'Investing in Health' (virtuous cycle story, SAPs can be compatible with health development, new interventionism)
- 1995: WTO established
- 1995-98: OECD drive for MAI (note role of NGOs and internet; but continuing push in WTO under 'Singapore issues')
- 1997: Sth African parallel import legislation passed, challenged (challenge defeated April 2001, note role of MSF and other NGOs and internet)
- 1999: PRSPs implemented (new and improved SAPs)
- 1999: WTO in Seattle: outrageous process; dramatic protests
- Dec 2000: People's Health Assembly and People's Health Charter

## Treatment Action Campaign to Global Financial Crisis (2000-12)

- April 2001: Defeat of big pharma in South Africa (note role of TAC, MSF and global social movements)
- April 2001: Norway Conference (WHO accepts differential pricing)
- June 2001: CMH Report (warning about health and stability; virtuous cycle story repeated, 'CTC model' and scaled up interventionism; reliance on increased aid (and GFATM) and PRSPs)
- Sept 2001: 9/11
- Nov 2001: Doha and the Statement on Public Health (especially Para 6 and compulsory licensing; note rearguard action by US)
- Oct 2002: Bristol Myers Squib defeated in Thai DDI case
- Mar 2003: Invasion of Iraq (US unilateralism; widespread opposition; limits to US power apparent)
- Oct 2003: Negotiations for US Thai FTA commence (at risk: compulsory licensing, data access, extended IPRs)
- Nov 2003: Cancun: G21+China stands up to G7; deadlock over agriculture and 'Singapore issues'; US moves to focus on bilateral and regional FTAs
- Nov 2003: Miami FTAA-lite (US knocked back by Latin America)
- Jan 2004: IMF report critical of US twin deficits
- July 2004: Framework for Doha Round adopted
- Dec 2005: Hong Kong Ministerial
- Feb 2008: Sub-Prime Mortgage Crisis breaks
- Sept 2008: Report of WHO Commission on Social Determinants
- Oct 2008: WHR on PHC
- Dec 2008: US Subprime Mortgage Crisis and Global Financial Crisis
- Oct 2010: WHR on UHC
- 2011: European Sovereign Debt Crisis

## Issues which link health policy with global economic regime

- SAPs and nutrition
- TRIPS, IPRs and access to drugs
  - current controversies over 'counterfeit' drugs
- GATS and the building of comprehensive PHC
  - irreversible privatisation
- Health and fair trade (with special and differential treatment)
- AoA and small farmers' loss of livelihood (and health consequences)
- Global financial collapse and delegitimation of neoliberal orthodoxy

### "Another world is possible!"

#### We have

- reviewed the interplay of economics and health at the global level over the past 60 years
- interpreted the interplay of health and economics in relation to a particular story about the global economy and global economic governance over this time
- drawn some conclusions about strategy for global health activists

#### Key conclusions

- recognise, learn from and work with popular movements for health and economic justice
- keep global economic justice and human solidarity at the centre of health policy discussion