Runanga Whakapiki ake i te Hauora o Aotearoa
HEALTH PROMOTION FORUM
of New Zealand

keeping up to date

Keeping up to date - the nineteenth edition

This summary of recent health promotion literature is intended to help:

- increase health promoters' access to the health promotion literature;
- increase health promoters' awareness of some of the current thinking and latest research findings in the field;
- increase health promoters' use of this information in practice.

Keeping Up to Date is produced four times a year. Assistance with accessing articles in journals/periodicals should be available through university, polytech, DHB or local libraries. However if you have difficulty accessing any of the papers, contact the Forum and we can point you in the right direction.

From the Editor

Because this edition focuses on one topic, globalisation, there is no contents section. This "Keeping Up to Date" starts with a brief description and assessment of globalisation and its health implications, followed by comments on a selection of books, papers and internet sites.

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Title **Health Implications of Globalisation**

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Context This "Keeping Up to Date" starts with a brief description and assessment of globalisation and its health implications, followed by comments on a selection of books, papers and internet sites. Material is mostly available on the internet or from public and medical libraries.[1].

Overview GLOBALISATION [2]

There are polarised views about the health and social effects of globalisation, with positions ranging from enthusiastic or guarded support (Feachem 2001, Dollar 2001), to emphatic opposition (Baum 2001, Labonte 2002, Labonte 2005), and a middle position that problems for the poor result from how globalisation has occurred (Cornia 2001, Woodward 2001).

There are many aspects to globalisation - economic, political, technological, cultural and ideological Economic globalisation, is intended to increase global economic activity, is a major driving force and gets most attention. It includes trade liberalisation, financial deregulation, and reduction of barriers to trade. These are facilitated by specific rules and institutions including the World Trade Organisation (responsible for trade rules), International Monetary Fund (economic stability) and World Bank (poverty reduction). Economic globalisation has commonly meant pressure (or sometimes requirements'under International Monetary Fund or World Bank Structural Adjustment Programmes for poor counties which are in debt) to reduce public spending, and privatisation or corporatisation of government activities and social services. In New Zealand's experience, the effects associated with this type of policy included economic decline and high unemployment, widening income and health inequalities, increased preventable deaths, a large increase in intergenerational contextual poverty [3], and social fragmentation.

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The ***Driving forces*** behind economic globalisation are largely economic, political and to some extend ideological. Globalisation has been going on for at least 200 years, starting with European colonisation in Africa, Asian and the Americas, but has been facilitated hugely in the last few decades by cheap international transport and technological developments, especially in manufacturing, information technology and communications.

Population growth and rapid urbanisation are major ***Pressures***. They expand the potential workforce and markets, but also put massive pressure on cities to cope with the influx. Global environmental degradation is exerting pressure on economic expansion and globalisation although the momentum is such that, even with major technology improvements, continued irreversible global ecological change is inevitable 4.

The ***Effects*** of globalisation are disputed. To its supporters, participating in the global economy has brought unprecedented reductions in absolute poverty in many countries, such as India, China (250 million rural poor people in 1978, down to 34 million in 1999), Vietnam (75% of people living in absolute poverty in 1988, down to 37% in 1998) (Dollar 2001). Supporters argue that Asian countries such as Singapore, Malaysia and South Korea have made the transition to affluence by active engagement in the global economy whereas countries which haven't engaged have done badly. Supporters of globalisation say that the benefits in countries which have engaged in globalisation , have been widely distributed, with similar relative increases in household wealth for rich and poor (Dollar 2001) and that improvements in health flow from better living conditions and better health and education infrastructure and services. Supporters claim that those who criticise the global economy do not have a practical, concrete alternative to offer, and much of the harm ascribed to globalisation is actually due to factors such as corruption, conflict and incompetent governance (Feachem 2001). In more ideological terms they argue that global prosperity can only be ensured by free, competitive markets producing and distributing goods and services, with minimal interference from inefficient and often corrupt governments.

According to its "discontents" (Stiglitz 2002, Labonte 2005), globalisation has been a disaster for the poor and for many middle income countries and people. Under globalisation, absolute poverty has got worse for millions, especially in sub Saharan Africa and parts of Asia, Latin America and Eastern Europe, as have income and health inequalities. Labonte (2001) points out that similar *relative* rises of income will only widen the *absolute* income inequality gap5. Critics say that local communities and economies have been damaged by allowing mass produced or subsidised imports of food and goods to flood local markets at the same time as restricting access to European Union and USA markets. This is enforced by World Trade Organisation rules, which are seen as largely captured by developed countries and corporations. Crtics point out that Structural Adjustment Programmes imposed on poor indebted countries by the International Monetary Fund and World Bank, result in debt repayments often far exceeding aid, but undermine country's ability to pay debt. Wages and working conditions have been forced down as companies shift to lower wage countries. Local cultures are undermined by the invasion of global corporates purveying commercially driven popular culture and unhealthy branded products. The ability of democratic governments to control their own countries is severely curtailed. Privatisation and corporatisation of public assets, including basic utilities such as water, have often lead to worse services for the poor, at higher price. Environmental standards, human rights and worker protections are often required to be weakened. Core public services, many of them public goods, have commonly been cut to reduce tax, sometimes in favour of military spending required by Structural Adjustment Programmes to ensure "internal security". In more ideological terms, they argue that there is a new imperialism, imposed by force if necessary, extracting resources from poor nations while imposing destructive Structural Adjustment Programmes which require borders to be opened to imports of goods and speculative capital from the developed world while important barriers to the export of goods and people remain intact. Wealth and power have shifted hugely to the very well off.

Various ***Actions*** and strategies have been proposed to allow countries to be part of the global economy without damaging health and equity.

Governments need to reassert sovereignty. Cornia (2001) and Stiglitz (2002) argue that the way in which countries engage with the global economy is pivotal in economic development and protecting the health and wellbeing of their people. The "Asian Tigers" countries, Vietnam and China retained considerable control over their economies and financial institutions, and retained trade barriers until their industries became competitive enough for barriers to be reduced. They also supported their health and education systems. This is similar to what many OECD countries have done over the last 50 years, with important sectors, such as agriculture in the European Union and USA, still retaining major subsidies and trade barriers. This is contrary to the "Washington Consensus" of fiscal austerity, privatisation and market liberalisation supported by the International Monetary Fund, World Bank and World Trade Organisation. Malaysia, for instance, largely survived the Asian financial crisis of the late 1990s by imposing tight foreign exchange controls to stop the devastating disinvestment experienced by their neighbours who took the orthodox economic path, despite severe pressure from international financial institutions. The health consequences have not been assessed, but would be expected to have been severe.

International institutions need to be more accountable and transparent than they generally are. Recently, developing countries have made progress in demanding more favourable trade rules.

Some companies are recognising the importance of their social and environmental responsibilities, as well as financial (e.g. see www.naturalstep.org). These need to be incorporated into ***governance and reporting*** arrangements, (e.g. using Triple Bottom Line reporting in which companies report their results and impacts using financial, social, and environmental measures).

Civil society and peoples' movements can have an influence, as an example stopping the Multilateral Agreement on Investment, debt cancellation and support for the Millennium Development Goals.

For health promotion practitioners responding to the impacts of globalisation, actions need to be based in values and ethics, support for human rights and, priority on reducing health inequalities.

Source Some Source Material

The literature on globalisation is expanding rapidly, but here are some useful starting points. For a more detailed description of these books and websites, please go to www.hpforum.org.nz and choose "topical issues".

Books

Baum, Fran (2002). *Globalisation and Health*, in Baum F, The New Public Health, 2nd edition, Chapter 5. Melbourne, Oxford University Press.

Lee K (ed), *Health Impacts of Globalization – Towards global governance*. Global issues series. Palgrave, Houndmills, 2003.

Lee K, Buse K, Fustukian S (eds). *Health policy in a globalising world,* Cambridge, 2002.

Stiglitz, Joseph. *Globalization and its Discontents*, London, Allen Lane 2002.

Hutton W, Giddens A (eds), *On the Edge, Living with Globalisation*, London, Vintage, 2001.

Labonte R, Schrecker T,Sen Gupta A, *Health for Some: Death, Disease and Disparity in a Globalizing Era,* Centre for Social Justice, Toronto, 2005 (www.socialjustice.org/pdfs/HealthforSome.pdf)

Journal Articles

Baum, F (2001), *Health, equity, justice and globalisation: some lessons from the People's Health Assembly*, J Epidem Comm Health 2001; 55: 613-616.

Feacham, R, *Globalisation is good for your health, mostly*, BMJ 2001; 323: 504-506. bmj.com/cgi/contents/full/323/7311/504.

Labonte R. *Liberalisation, health and the World Trade Organisation*, J Epi Comm Health 2001; 55: 620-1.

Bulletin of the World Health Organisation, September 2001, v 79 (9) special edition on Globalisation and Health. (www.who.int/bulletin/archives/volume79_9/en/index.html), including:

- Dollar, David. *Is globalization good for your health?* BWHO 2001; 79(9): 827-833.
- Cornia, G A, *Globalization and health: results and options*, BWHO 2001; 79(9): 834-42.
- Woodward, D, Drager N, Beaglehole R, Lipson D. *Globalization and health: a framework for analysis and action*, BWHO 2001; 79(9): 875-881.

Websites

World Health Organisation website sections

- *Globalisation, Trade and Health* (www.who.int/trade/en/)
- *WTO Agreements and Public Health* (www.who.int/trade/resource/wtoagreements/en/index.html)
- *Millennium Development Goals and Health* (www.who.int/mdg/en/ and www.un.org/millenniumgoals)
- *Global Public Goods for Health* (http://www.who.int/trade/resource/GPGH/en/ and Smith R, et al (eds) Global Public Goods for Health, Oxford, OUP, 2003).
- *WHO Commission on Macroeconomics and Health*, www.cmhealth.org

World Institute for Development Economics Research, part of the UN University. (www.wider.unu.edu) has research reports on development economics, including some on global health issues -e.g. Heshmati A, *The Relationship between Income Inequality, Poverty, and Globalization*, Research Paper No. 2005/37 (www.wider.unu.edu/publications/rps/rps2005/rp2005-37.pdf)

Global Health Watch 2005 – 2006. (www.ghwatch.org/2005_report.php).

Footnotes

1 Some of the more specialised references are books which may need to be ordered through your bookseller or got through www.amazon.com

2 This section uses the globalisation framework developed by WHO (Woodward 2001) and the DPSEEA model. DPSEEA (Driving Forces, Pressures, States, Exposure, Effect, Action) is used in environmental health analysis, and covers similar territory to the Precede-Proceed model (see Yassi A et al, eds, *Basic Environmental Health*, Chapter 8, Human Settlement and Urbanisation, Oxford, OUP, 2001)

3 Contextual poverty is a concept described by development economist Amartya Sen. It addresses the common objection that poverty in developed countries isn't "real" poverty because of social welfare safety nets, however meagre, which leads to "relative poverty" being derided as little more than jealousy. However, in the context of an affluent country, there are levels of income which most people would consider unacceptably low, particularly when there are external reasons.

4 Millennium Ecosystem Assessment, http://www.millenniumassessment.org/en/index.aspx. A health report is due shortly.

5 A ten percent increase from living on $1 a day is a lot less than ten percent of $100 a day.