

# Global health governance – the need for democratic reform

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# Global Health Governance (GHG)

- Those domains of decision-making which shape the health opportunities of peoples but which lie beyond the autonomous control of the nation state; include:
  - international cooperation around control of communicable disease
  - global economic decision making which shapes the health opportunities (including health care) of peoples
  - international aid giving which is notionally directed towards health and development

# The 'global governance' discourse

- Recognises the increasing degree to which decision making which affects people's well being and the future of the planet lies beyond the autonomous discretion of the nation state
- But GHG is contested:
  - treating 'health' as an autonomous domain, or
  - treating 'health' as a sub-domain of global economic governance



# Global governance: six key pillars

- Formal regulatory structures: multilateral institutions and agreements (UN, WHO, IMF, WB, WTO, etc)
- Empires, big powers and nation-states (eg G8)
- Transnational corporations (and peak bodies)
- Disciplines of the market place
- Classes, constituencies and social movements
- Ideas, information, knowledges, ideologies and discourses



# Formal regulatory structures: multilateral institutions and agreements

- Bretton Woods Institutions
  - IMF, WB and WTO
- United Nations system
  - EcoSoc, UNCTAD and UNDP
  - WHO, UNAIDS, UNICEF
  - UNHCHR, UNFCCC
- ‘Public private partnerships’ in health
  - GFATM, GAVI
- Various conventions and agreements
  - WTO agreements
  - declarations on economic, political, cultural and social rights
  - Kyoto Agreement
  - International Health Regulations
  - Framework Convention on Tobacco Control



# Empires, big powers and nation-states

- Governing the regulatory structures
  - WTO negotiations, Basle,
  - UN, WIPO, WHA, etc
  - regional FTAs and BITs
- Occasional direct disciplinary action
  - trade sanctions
  - covert destabilisation
  - armed intervention
- Official ‘development assistance’ including funding and advice
- Key structures
  - G8, OECD, EU, USA, etc



# The disciplines of the market place

- Political implications of 'market sentiment'
- Traders (currency, shares, derivatives)
- Financial media
- Ratings agencies
- Legal and accounting frameworks



# Transnational corporations (TNCs)

- Growing in size, increasing number, carrying increasing proportion of global trade
  - dominant role in mobilising funds and technologies for investment
  - transnational but with domestic roots
- Autonomy arising from transnational status
  - intrafirm trade, transfer pricing and tax avoidance
  - political leverage from auctioning (or threatening) investment, employment and head office functions
- Cases
  - bloating financial sector
  - big pharma and IPRs
  - water privatisation
  - global miners and drillers



# Classes, constituencies and social movements

- Beyond the empire, the nation-states, the international institutions and the transnationals
- More diffused opinion hard to map but still influential
  - commonalities, identities, alliances and solidarities
  - nationality, ethnicity, class, caste, religion, language and race
- Features
  - the solidarity of the global middle class
  - new fundamentalisms (and the decline of ‘progress’)
  - social movements, eg environmental, women’s,
  - solidarity movements, eg Jubilee
  - NGOs, FBOs, CBOs, etc



# Information, knowledges and discourses

- Global power of
  - information, eg health statistics
  - research and analysis, eg DALYs
  - product development, eg new drugs
  - discourses, eg comprehensive PHC, cost-effectiveness
  - ideologies, eg neoliberalism, ‘Washington Consensus’, fundamentalisms
- The information organizations
  - academic and research centres (eg Harvard, LSE)
  - private sector research and development
  - discussion fora (eg DAC of OECD)
  - media (eg reports, press coverage, etc)
- Cases
  - role of the WB in promoting ‘cost-effective packages of health interventions’
  - role mainstream media in promoting neoliberalism (and TINA)
  - role of NGO websites in informing campaigns against big pharma



# Global health governance

- Health as a semi-autonomous domain of governance?
  - WHO (IHRs, FCTC, IMCI), UNICEF, UNAIDS, etc
  - international ‘development assistance for health’ (DAH) industry
    - GPPPs, big pharma, private and bilateral donors and OECD DAC
- Health as a sub-domain of global economic governance?
  - role of big powers in containing the role of WHO (and of the WHA) and preferencing the GPPPs
  - role of IMF in structural adjustment (including currency crises as well as debt)
  - role of WTO and bilateral/regional trade agreements in shaping the structural determinants of health
  - role of ‘DAH’ in promoting corporate and hegemonic interests

# Problem statement 1

- The broad direction of global (health) governance is retarding health development in L&MICs, especially
  - economic disciplines of IMF
  - trade regulation and health
  - ‘development assistance’

# IMF as global economic policeman: health impact as 'collateral'

- Structural adjustment for indebted countries
- Structural adjustment for countries under speculative attack
- 2010. IMF suddenly discovers the legitimacy and efficacy of capital controls

# Trade agreements and health

- Dumping and protection sanctioned by the Agreement on Agriculture: impact on small farmers' livelihoods
- TRIPS (and TRIPS Plus): impact on access to medicines
- Pressure on developing countries to slash tariffs: impact on government revenues, economic development and employment
- Investment areements and 'expropriation'

# Development assistance as a control mechanism

- Role of Global Fund, PEPFAR and GPPPs as a response to the crumbling legitimacy of TRIPS patent regime (1997-2001)
  - reduce pressure for IPR reform by giving away cheap medicines
  - (at the cost of exacerbated vertical fragmentation)
- Presentation of DAH as only response to health crisis in L&MICs (eliding all reference to a global economic environment which might enable real development)
- Continuing propaganda regarding the IHP as a meaningful solution to vertical fragmentation
- Continuing constraints on WHO role; US refusal to pay dues; G8 and WB conditionality re extra-budgetary support

# Problem statement 2

- Global health governance
  - understood as a subdomain of global economic governance
  - is largely subordinated to the economic policy goals of the G8 and the TNCs
  - goals which do not align with the health development needs of L&MICs
- Is this contradiction superficial or deep?



# Contradictions: superficial or deep?

- Contradictions between health development in LMICs and economic policy goals of G8 and the hegemon:
  - superficial? – consequent upon innocent mistakes and misunderstandings?
  - deep? – fundamental incompatibility between economic policy goals of G8 and TW development?
- Answer turns upon analysis of current dynamics and trajectory of global economy

# Global economy: two dynamics

- 'Fordist' dynamic (China)
  - less productive labour plus technology, capital and markets leads to increased productivity and frees up time and resources for development
  - wages feed consumption feeds profit feeds investment creates employment and wages which...
- 'Post-Fordist' dynamic (OECD)
  - high technology production reduces demand for labour reduces flow of wages into consumption leads to economic slow down and profit diverts into lending for asset speculation, consolidation of production and debt based consumption
  - intense competition among existing producers for global markets leads to pressure towards free trade (and chokes off opportunities for new producers)
  - intense competition between low wage countries for mass employment production for global consumption (limited scope under free trade)



# Managing the ‘post-Fordist’ dynamic

- ‘Free’ trade
  - opening up new markets for established (TNC) producers
- Unfair trade (brain drain, IPRs, escalating tariffs, dumping of agricultural products, etc)
  - maintaining the flow of value from South to North
- ‘Fiscal discipline’ (IMF)
  - keeping countries integrated within the global economy (necessitates countries ‘insuring’ their currencies against speculation → S-N \$ flow)
- Legitimation defence
  - international aid for health

# Problem statement 2

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  - goals which do not align with the health development needs of L&MICs
- This mal-alignment is not superficial; it reflects the requirements of managing the post-Fordist dynamic

# Strategic responses: democratising global health governance?

- Two case studies
  - 2005/06 – WHO Trade and health resolution
  - South Africa and parallel importing (1997-2001)
- What are the lessons?



# WHO Resolution on Trade and Health

- Secretariat paper on Trade and Health discussed at EB (27 May 2005)
- Draft resolution (Thailand + 13 others\*) calling for 'policy coherence' across trade and health and calling on WHO to advise and assist
  - strong focus on TRIPS, the Doha amendment and access to medicines
- Opposition (US) plus watering down (Australia, France, Luxemburg) lead to deferral (to Jan 06)
- Presented again in May 06 and passed

Benin, Bhutan, Bolivia, Brazil, Canada, China, Iraq, Jamaica, Kenya, Nepal, Sudan, Tonga and Vietnam (see notes of discussion below)



# WHA Resolution 59.26 urges member states to

- multi-stakeholder dialogue at national level...;
- ... take action to address the potential challenges that trade and trade agreements may have for health ...;
- establish coordination mechanisms involving ministries of finance, health, and trade ...;
- generate coherence in national trade and health policies;
- develop capacity at national level to analyse the opportunities and challenges of trade and trade agreements for health;



# Requests the Director-General to:

- provide support to Member States ... to frame coherent policies to address ... trade and health;
- respond to Member States' requests for support ... to build capacity to address implications of trade agreements for health;
- collaborate with the competent international organizations in order to support policy coherence between trade and health;
- report to the Sixty-first World Health Assembly ... on progress.



# Parallel importing - South Africa, 1997-2001

- 1997 South Africa passes a new law for the procurement of medicines; sourcing brand name drugs internationally through cheapest supplier
- 1998 39 drug makers sued South Africa arguing that the law contravened international trade agreements
- Protest
  - 2001 Medicins Sans Frontiers petition against the lawsuit collects 250,000 signatures
  - CPTech (KEI) high level technical analysis on website
  - 1998+ Treatment Action Campaign
  - 2000 Health GAP in the US (focus on Al Gore)
- 2001 companies withdraw their lawsuit and agreed to pay the government's legal costs

# Lessons from case studies

- Closer collaboration among MOHs from L&MICs (as in Trade & Health case)
- Using WHO
  - status of WHA resolution
  - use of WHO Secretariat to provide advice
- Supporting intersectoral collaboration at
  - national level (MOH & Trade, Finance, etc)
  - international level (eg at WTO)
- Collaboration with civil society globally, regionally and nationally



# Democratising GHG: address six key pillars

- Formal regulatory structures
  - strengthen WHO, UNHCHR, etc
  - new treaties, eg framework convention on professional migration
- Empires, big powers and nation-states
  - create (and strengthen) countervailing centres of power (eg G77)
- Transnational corporations
  - monitor, require accountability
  - reform IP laws (eg India)
- Disciplines of the market place
  - advocate for stronger regulation of market players (eg capital controls)
  - reject trade agreements which restrict policy space
- Classes, constituencies and social movements
  - build solidarity (intersectoral, international)
- Ideas, information, knowledges, ideologies and discourses
  - challenge neoliberal health care models (challenge neoliberal orthodoxy regarding economic policy also)
  - promote CPHC and a social determinants model of health (and right to health)

# Possible next steps in 'Democratising GHG'

- Further case studies
  - learning from previous episodes
- Capacity building
  - training programs for MOH officials
- Strategic projects (including new alliances) on current issues
  - food, nutrition, agriculture
  - access to medicines and IP reform
  - 'health systems strengthening'