The new GATT Round: Whose development? Whose health?

On 30 November in Seattle, USA, the new round of talks to revise and extend the General Agreement on Tariffs and Trade (GATT) round is being launched. This will have profound direct and indirect implications for public health in general, and for food and agriculture in particular. The previous Uruguay Round, signed by over a 100 countries in 1994, created the immensely powerful World Trade Organisation (WTO), which not only monitors trade rules but runs a system of arbitration that is de facto a new jurisdical prudence. Why does this matter for public health?

Firstly, the institutions through which public health has expressed its views in the post-war period are being quietly marginalised. A new system of world governance is emerging in parallel to, and more powerful than, the formally more democratic institutions of the United Nations. Ask yourself: which body is more significant in framing the conditions for public health—the World Trade Organisation (or the World Bank) or the World Health Organisation? And which bodies have systems of direct accountability to their publics? There is a World Health Assembly with the WHO but no parallel citizen’s voice for the WTO. Economically, there is no contest, which is why countries have clamoured to join the WTO; China is the only power currently outside the WTO, and it too wishes to join.

Secondly, the GATT is a key, if not the key, structure in the architecture of the new era of globalisation. It is all the more shocking to note that public health barely registers except in the assumption that public health protection can be a threat to free trade. To the more excessive free trading economist, any mention of health is a fig leaf for protectionism, whereas for public health, protection and prevention carry positive rather than negative connotations. Thus, in the Agreement on Agriculture much effort was put into ensuring that national governments cannot set food standards or restrict entry of foods unless they have “sound scientific” justification. This seems reasonable but in practice—witness the issues of antibiotics, hormones, dioxin residues—the science is at best never entirely clear and at worst warped by commercially confidential studies.

Under the Technical Barriers to Trade (TBT) and Sanitary and Phytosanitary Standards (SPS) agreements of the GATT, arbitration on scientific standards gave “influence” to the UN Codex Alimentarius Commission. Alas, this older body was not in a fit democratic state to accept this onerous responsibility. Too often, companies are present at Codex meetings where their products’ safety is being evaluated. When just 10 companies control 85% of the US$31 billion annual world pesticides market, their power and presence at such meetings should not be underestimated (and is another reason an alliance representing public health, welding professions, institutions, NGOs and citizenship interests is urgently needed at these GATT talks). A recent study of the SPS on hormones and avocado pests concluded that using “sound science” is “a slippery objective”. In practice, it nigh is impossible to separate political considerations or research funding from the science.

Food is now particularly sensitive. For the past few years there has been a steady stream of high profile cases where food exporting nations fight over the right to export surpluses to each other and to whom they deem their own. There have been wars over lamb between Australia and New Zealand and the USA; over beef hormones between the EU and USA; over genetically modified foods between the USA and many countries but especially the EU. Some of these trade disputes receive mass media coverage; others are covered in the specialist press only. They deserve public health scrutiny. A main reason for this is that despite many inter-governmental commitments to allow, even encourage, nation states to ensure food security for their people, the notion that food security stems from growing most of one’s food within one’s country (what used to be called self reliance) is being eroded by the notion that security stems from being able to purchase food on the open world markets. Critics see this as the slippery slope to a neo-colonial dependency.

Food security is a concern for most developing country governments while rich countries are more troubled by consumer driven food safety issues. As the WHO Regional Office for Europe’s Food and Nutrition Plan recognises, from a public health perspective, both are important and both reflect changes in methods of production and distribution and in the food system.11 The Norwegian Government is rare among rich nations in openly criticising the drift of the new GATT talks. It should know. Its citizens voted in the early 1990s against joining the EU, in part from hostility to the Common Agricultural Policy undermining the national nutrition and food policy in place since 1976. Yet Norway by signing onto the 1994 GATT began to erode exactly the very same national policy!

In a paper prepared in June this year, Norway laid down a clear policy challenge: food security is too important to be left to the vagaries of trade. It has a point. Under the Plan of Action agreed at the 1996 World Food Summit, as at the earlier 1992 International Conference on Nutrition, governments agreed they have a moral responsibility to ensure their citizens have adequate food, are free from hunger and achieve food security. The thorny issue is which is the best way to achieve it: grow your own or buy in? This question is serious politics in India, for instance, where hundreds of thousands of farmers are resisting attempts to introduce genetically engineered seeds from US companies.

The GATT perspective favours the market approach to food security. Taftically, it argues that the cheapest food is best. The new public health perspective suggests that the West’s food revolution has intensified food production such that when food is cheap, other costs are being externalised onto the environment. In this intellectual context, Norway’s position is pioneering. It argues that the new Round should agree rules to safeguard national food security. When wheat or maize prices can rise by 50% in just two years, as happened 1993–95, reliance on being able to buy one’s food in the world marketplace is a form of security only open to the affluent. (Norway, as a small population with immense oil wealth is ironically one such country.) What are the poor to do in such circumstances: tighten their belts? As Nobel Prizewinner Amartya Sen, among others, have shown, hunger follows poor purchasing power and is not necessarily a function of food availability.13

A third reason for public health involvement in the new GATT round is the growing evidence that macro socioeconomic factors have direct impact on health indices. In which case public health bodies press only to prevent ill health should work to reduce socioeconomic disparities. Since Richard Wilkinson first articulated this position, a wave of papers and reports emphasising the need
to tackle inequalities on health grounds have been produced.25 The WHO’s Health for All for the 21st Century subscribes to this view.25 In practice, those governments who acknowledge the pressing health problems of the poor are more likely to subscribe to the view that ill health will be reduced by raising the poor out of poverty—that is, by targeting resources on them to help themselves—rather than by taxing the rich as well as helping the poor. These are real public policy options.

The new WTO structures are designed to facilitate cross border economic activity and to reduce national control over capital flows, competition and even cultural control. In the age of the internet, information knows few boundaries yet vast new corporations are emerging that dominate almost everything humans do or consume. The irony about the new GATT is that it is based upon the free trade model of globalisation just when evidence about its negative effects is mounting up. According to the 10th annual UN Human Development Report, the richest 20% of the world now account for 86% of world Gross Domestic Product (GDP), while the poorest 20% have just 1%.26 Two hundred of the world’s richest people have doubled their net worth in the past four years. The richest three people in the world have assets greater than the combined Gross National Product of all the least developed countries in the world, 600 million people. There is little chance of health care in all in such a socially divided world.

A fourth reason for public health involvement in the trade talks and debate concerns the work of public health monitoring itself. Public health action has to be based on a good understanding of the real world. Perspective is in order. Post-war development has brought astonishing gains for billions of people. In both absolute and relative terms, they are hugely wealthier. But equally, as the Human Development Report documents, the scale of contemporary inequality and poor healthcare defies sanity. The Human Development Report itself came into existence because a decade ago, UN administrators, social scientists and politicians were critical of the convention of measuring development through indicators such as Gross Domestic or National Product. They disguise intra-national inequalities and fail to convey the quality of life issues. The Human Development Index was created to fill this gap. Goodness knows it is needed. The Human Development Report shows that 80 countries have incomes lower today than a decade ago. Some 1.3 billion people, over a fifth of humanity, exist on less than US$1 per day. However it is measured, the gap between the richest and poorest is widening. In 1960, the gap between the richest fifth and the poorest fifth was 30:1. In 1990 it was 60:1. In 1997 it was 74:1. In this context, it is clear that epidemiologists as much as physicians and health activists have to ask themselves how their work does or does not confront this obscene accrual of wealth and power.

Recognising the problem is no longer the issue. When proponents of trade liberalisation such as the Organisation for Economic Co-operation and Development and the World Bank recognise the importance of poverty—a “drag” on growth—can we all now breathe a sigh of relief that the excesses of Reagonomics/Thatcherism/New Right economics have passed? Yes and No. Arguably, today in the GATT talks, these ideologies are being presented in a softer light while the reality is more of the same. The Human Development Report argued that globalisation is unstoppable and that all good people can do is try to give it “development with a human face”. It is true that proponents of unfettered free trade are more defensive than in 1987–94. Faced by growing opposition and the sheer weight of evidence of harm, the architects of inequalities in health now plead that we should still trust them and that (their version of) growth must continue by a different path.28 Inequalities may be bad, they admit, but now is the time to target resources on the poor. We should ignore, they imply, the accrual of power by the rich as they are the motor force of the new global economy.

There may be good historical grounds for trying to ameliorate the worst excesses of globalisation, as the Human Development Report suggests. But we should also recognise that many public health gains have been won when the affluent and the middle classes recognise that they cannot escape socially induced ill health among the poor and that it is in their interests to tackle the causes of ill health. Confronting vested interest may actually be the best chance we have to put the “human face” on globalisation. GATT talks are serious politics; no one listens to arguments unless they come to the table with clout. The negotiations are raw geo-politics. The challenge for public health generally, and certainly in food policy, is to argue hard and fast for a tough pro-active health perspective. Getting the odd sentence in a final 2000 page agreement will not suffice. If the new GATT Agreement further diminishes the room for pro-active health intervention, we will only have ourselves to blame.

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