Migration, Pharma and big business

- Globalization has accelerated since the 1980s and is a powerful force for change
- It is characterized by a surge in cross-border investment and trade; the growth of powerful, multinational companies; global, one-size-fits-all rules on trade and intellectual property; and improvements in global telecommunications
- The current form of globalization exacerbates inequality, facilitates the exploitation of poor countries' economic, natural and human resources and undermines public health care systems

This section highlights three aspects of the current form of globalization that undermine health – the exodus of health workers from low-income countries; the impact of the TRIPS agreement on access to medicines; and the impact of multinational activities on health.

The health worker exodus

The health care systems of developing countries are losing their most precious resources – people. There has been a sharp rise in the migration of health workers (and other skilled professionals) from poor to rich countries partly due to differences in wages, working conditions and future prospects.

Increased investment in private recruitment firms and the rapid spread of access to the internet has made migration easier.

The doctor : population ratio in the UK is about 1 : 400, while in Malawi, it is 1 : 75,000. And yet the UK estimates that it will still need 25,000 more doctors in 2008 than it had in 1997. In the US, there will be a shortfall of nearly a million nurses over the next 15 years – which will largely be met by overseas recruitment.

The *Watch* describes how the most well-established voluntary 'ethical recruitment' scheme in the developed world, run by England's National Health Service, has failed to work.

What needs to happen

- The primary response to the migration crisis of health care systems in poor countries should be based on the principle of compensation, particularly for the poorest countries with the greatest staff shortages. This reinforces the argument that the reform of the global political economy and the transfer of resources from rich to poor countries is a health sector priority.
- Financial compensation must be complemented by non-financial forms of partnership between health systems. There are already schemes that share equipment, staff and other resources which could be emulated and built on.
- Inappropriate restrictions on public sector wages imposed on countries by the IMF and World Bank should be challenged.
- Developing country governments and donor agencies must do all they can to improve conditions for public sector workers. This should include greater investment in human resource management systems and capacity within the public sector and taking action to close the relative difference in pay and working conditions between the public, private and non-government sectors.

Making Medicines Accessible

The *Watch* describes how access to cheap medicines has been threatened by the World Trade Organization's agreement on intellectual property rights (TRIPS).

All but the poorest 30 WTO member states must now grant patents on new medicines for 20 years.

Flexibilities within TRIPS - to allow compulsory licensing and parallel importing in the event of 'health emergencies' - are being undermined.

Furthermore, bullying by rich countries (and the pharmaceutical lobby) of developing countries to sign 'TRIPS-plus' agreements compromises access to essential medicines even further by, for example, forcing even higher levels of patent protection and undermining the ability of governments to regulate the pharmaceutical sector.

The *Watch* also explains how TRIPS and the current systems for financing pharmaceutical research and development are geared towards the interests of the global pharmaceutical corporations and result in inefficiency, high prices and a neglect of research into diseases which mainly affect the world's poorest people.

What needs to happen

- Intellectual Property Rights related to essential medicines and other essential health technologies should not be governed by the WTO and trade agreements, but by public health considerations and public health institutions.
- The generic supply pipeline must be kept open through the pro-active use of the flexibilities in TRIPS and by resisting pressures placed on developing countries by the United States and Europe.
- WHO and civil society should take a stand against countries being forced to enter into TRIPS-plus agreements.
- There should be an expansion of mechanisms to finance health- and needs-driven (rather than profit-driven) research, and faster progress towards an international Medical Research and Development Treaty that combines minimum national obligations for supporting medical research and development with flexibility on intellectual property rules.
- The protection and strengthening of WHO's pre-qualification initiative to create a faster and more efficient system for countries' access to affordable medicines.
- WHO should call for regular country-by-country review of pricing policies, prescribing practices and the effectiveness of the pharmaceutical regulatory system in ensuring access to essential medicines and good clinical practice.

The rise and rise of big business

The growth in the power and influence of multinational corporations requires strong regulatory checks and balances to protect universal rights to health care.

Efforts to promote voluntary codes of conduct have sometimes failed. However, the relative success of the International Code on the Marketing of Breast Milk Substitutes (box 10) and the Framework Convention on Tobacco Control (box 12) show how civil society working internationally can help bring about change.

Other struggles to promote and protect health include the campaign to reduce the 136,000 annual occupational deaths in China; the actions to challenge the harmful and unjust impact of Shell's oil extraction activities in Ogoniland, Nigeria; and the campaign to extract compensation from Union Carbide for the death and disability caused by its pesticide factory in Bhopal, India.

Another major issue is emerging. Over the last decade, there has been a steady decline in the taxation of corporate profits as a result of lower corporate tax rates, financial deregulation and the active evasion of taxes by big business, aided by teams of accountants and lawyers.

These trends erode the capacity of governments to fund health and social services. Ironically, many health programmes are now dependent on corporate donations or on so-called 'public-private partnerships'. These not only provide the corporate sector with good PR, but can also help them to capture new markets.

What needs to happen

- The UN must renew attempts to ensure that transnational business operates responsibly and in the interests of global health. Governments and international bodies should extend regulatory controls on transnational corporations, and give the UN a strong mandate to monitor their practices.
- The UN must free itself from the influence of big business. WHO especially must develop its safeguards against conflicts of interest in the funding and priority-setting of international health initiatives.
- Companies should be forced to declare both where they pay tax and how much they pay. An international tax authority is necessary for profits to be properly accounted for and taxed at a global level. Tax justice should become a key public health demand.

Marlboro billboard in Hong Kong (Corporate Accountability International)

BOX 10

Codes of Conduct – the example of breastfeeding

Breastfeeding is a matter of life and death for babies in poor countries, but can be undermined by companies promoting breast milk substitutes.

In the 1970s and 80s public health practitioners, NGOs and civil society successfully campaigned to curb harmful marketing practices.

Their tireless efforts resulted in the International Code of Marketing of Breastmilk Substitutes, adopted by the World Health Assembly in 1981, which set an important precedent in regulating transnational corporations.

The WHO failed to ensure compliance with the code, but two organisations - the International Baby Food Action Network and the World Alliance for Breastfeeding Action – identified non-adherence and pressed for action.

In countries that have not fully adopted the code, baby milk companies are still trying to influence mothers and staff by offering free supplies and by claiming that their products boost immunity to disease, and promote intelligence and healthy growth.

What can health workers and health professional associations do to respond to the human resource crisis, intellectual property rights and the negative health impacts of big business?

- Demand and campaign for:
  - The principle of compensation for the migration of skilled health workers from low-income countries with severe staff-shortages.
  - Research to measure and monitor the financial gain brought by migrant health workers to the health care systems of rich countries.
  - The removal of inappropriate IMF/World Bank public spending restrictions.
  - WHO to publicise and help implement the recommendations of the Joint Learning Initiative report on Human Resources (http://www.globalhealthtrust.org/Report.html).
- Fight against efforts to impose 'TRIPS-plus' agreements.
- Apply pressure during the forthcoming TRIPS review process and lobby WHO's Commission on Intellectual Property Rights, Innovation and Public Health (CIPIH) for a much bigger investment in public, non-profit pharmaceutical research and a reform of the current patents regime.
- Strengthen policies and practices to promote rational prescribing; de-link continuing medical education from pharmaceutical sponsorship; open up the publication of the results of all clinical trials; and prohibit unethical pharmaceutical advertising to the public and health care providers.
- Call on the UN and its specialized agencies to formulate stronger regulatory mechanisms to monitor and curb the harmful effects of multinational companies.