

Globalisation: Effect on Health

Globalisation provides threats and opportunities to the health of the people. As it is practised today, globalisation has more threats than opportunities. This is because the competition far outstrips collaboration. The impact on health and health care systems is broad and profound. Globalisation is the process of increasing economic, political and social interdependence and global integration. Capital, goods, persons, concepts, ideas and values diffuse across the boundaries of the countries.

Positive implications

- ◇ Information sharing : There is the possibility that more and varied information will be available, which can be put to use by other countries. Such information will be useful in improving
 - * services, standards and quality of care
 - * policies
 - * legislation
 - * exchange of ideas
 - * appropriate technology
- ◇ Increased awareness among people
- ◇ Better practices by health care professionals and workers

While there can be many positive influences, the possibility of harm to health and health is much greater.

Health technologies

Competition among health care providers will induce the spread of newer and not fully tested technologies. This will lead to increasing investments in expensive, sophisticated technologies, which may not be appropriate for the developing country.

Public sector:

To remain competitive in global markets, public expenditure has to be minimized. World bank and IMF insist that there should be a contraction of the public sector in the health care services.

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Global factor and their consequences

- œ 'Downsizing' and structural adjustment policies, leading to unemployment.
Marginalization, increased poverty, decreased social safety nets leading to higher morbidity and mortality rates.
- œ Increased promotion of tobacco, alcohol and psycho-active drugs, dumping of unsafe pharmaceuticals.
Increased addition, ineffective and harmful treatment
- œ Promotion of cash crops at the expense of food crops.
Food security threatened; malnutrition increased
- œ Environmental degradation and unsustainable consumption by the rich: resource depletion; water and air pollution; ozone depletion; accumulation of greenhouse gases and global warming.
Epidemics; respiratory disorders; immunosuppression, skin cancers; cataracts; effects of floods and storms; food shortages and malnutrition.
- œ Patents

Patents

The GATT agreement on Trade Related Intellectual Property Rights (TRIPS) is meant to protect intellectual property rights (IPR). It concerns mainly patents, which have serious implications on health care.

There are two types of patents:

Product patents

These patents give the holder the exclusive right to use the patented invention for a specified period of time. GATT allows a product patent for 20 years from the date of filing the patent application.

Process patents

These patents grant the holder the exclusive rights to use the process and product obtained by that process.

Indian Patents Act, 1970, recognised only process patents. IPA states that the patent should not be used as an import monopoly.

TRIPS agreement confers the exclusive right to import and does not require commercial production of the patented invention in India.

TRIPS' provisions

Inventions in all fields of technology, including drugs, chemicals, foods, agricultural products, animals, plants, and micro-organisms are entitled to product and process patents.

Duration of patent protection : Industrialized countries: 17-20 years
Indian Patent Act: 14 years.

According to IPA, a patent for process of manufacturing substances used or capable of being used as food, medicine or drugs has a duration of seven years from the date of filing and five years from the date of sealing of the patent, whichever is shorter.

GATT requires 20 years patent protection for all inventions in the field of technology, 17-20 years for pharmaceuticals, which can be further increased as process patent when the product patent expires.

There is an obligation to set up production facilities in the country granting the patent. Article 29 dilutes this provision. Patentee would be allowed to import the product in the countries granting the patent; this is to be taken as on par with the obligation for production in the country that grants the patent. This would make Third World countries merely markets for Transnational Corporations with no obligations.

According to all legal norms, when there is alleged violation, the accused is considered to be innocent until proved otherwise. but in the new Patent rules, the burden of proof is shifted to the accused. If a company files a suit against another of violation of copyright, the accused will have to prove his/her innocence.

Patenting plant varieties

There are many herbs which have been traditionally in India and other tropical countries as medicines. Now, there are being taken by the affluent countries. When genetic resources are taken from the tropical countries to the affluent countries, they are treated as free and knowledge of their characteristics is seen as belonging to all. When the same is processed by mixing the traits, they are treated as private intellectual property attached to them.

The same thing happens to food crops seeds.

This has resulted in a few companies in the North controlling the whole of the world seed markets and genetic resources. This can affect food security.

Farmers' exemption had allowed them to keep seeds from the harvest for the next sowing./ In the revised system, the farmers' exemption has been renewed. If a farmer is found using a patented variety of seeds, which he does not buy, all that the agent of the patent holder has to do is to file a complaint with the concerned authority.

Farmers will be forced to buy new seeds for every sowing. The local plant breeders will have to pay royalty for using the patented variety.

TRIPS and pharmaceuticals

According to Article 70.8, pharmaceuticals and agro-chemical firms can file applications for products patents within one year of signing the GATT accord. The applicants will be given monopoly marketing rights for five years from the date of application.

drug prices in India were among the highest in the world before the Indian Patent Act, 1970. IPA reversed the trend. Indian companies have now become major bulk drug producers. There are about 10,000 units engaged in the production of bulk drugs and formulations. The producers could bring down the price drastically.

According to the new rules, the products need not be produced here. They can be imported and sold at very high prices; the Government will not have any control over its price.

Values

Globalisation brings about changes in values. Profit-at-any-cost becomes the guiding mantra (free market economy replacing the mixed economy). Consumerism spreads itself, bringing on the newer fashions and technology. Craving for them depletes the purchasing power. The amount available for the purchase of food materials becomes reduced substantially.

Junk foods

A craze for junk foods is created, reducing the intake of wholesome food. This affects the nutrition which is even otherwise poor.

Commercial crops

Cash crops are replacing food crops. Farmers in Punjab are growing tomato and potato for Pepsi. Karnataka shifted to sunflower cultivation to satisfy the requirements of Cargill. Andhra Pradesh shifted to prawn and shrimp cultivation. Kerala has been using its land more and more for the production of rubber, whose price has come down. All these affect cereal production and food security.

Public Distribution System

The millions of the poor in India were being helped through the Public Distribution System. GATT demands slashing down of the subsidies to the PDS. This would result in the prices of food and other essential commodities going up beyond the purchasing power of the poor.

Industries

Trade liberalisation is often accompanied by "decentralisation" in the less industrialised countries.

"In India which has only in recent years opened up fully to the global economy, international competition has already led some sectors of industry to seek an advantage by recruiting cheap child labour-----

Increased child labour is reported in sericulture, fish processing and genetic engineering of seeds (UNICEF, 1996)"

With the competition due to globalization, many industries and business houses are reducing their staff. Unemployment is staring at these people and the number of people below poverty line is increasing.

Dumping 'duty' industries

Hazardous industries and poor technologies will be relocated in the developing countries, leading to health hazards.

India has become a dumping ground for hazardous waste. The Supreme Court, on February 6, 1998, directed the Customs and other authorities in charge of the Tughlaqabad Container Depot and the Bombay Port Trust to neither auction nor release till further orders several containers of hazardous waste (Indian Express, February 7, 1998).

Supportive environment for health

The physical, social and economic environment must be supportive to health. Globalisation threatens to damage the environment. The inequities are increasing

The 'have' resort to wasteful consumption of the world resources. There is need for a more equitable distribution and utilization of the earth's limited resources.

Globalisation has provided an important new argument in favour of off-loading public funding as well as publicly operated provider institutions on to private sector and household budgets.

Earlier efforts of multinationals to establish production operations in different local markets - contemporary decisions to base production on exports from wherever manufacturing can be done most cheaply.

Globalisation is the growing integration of the world economy, linked together by large and increasing private sector financial and trade flows.

Desire of developing countries to attract multinational corporations and new jobs for their people - increasingly fierce effects of developed countries to retain a larger share of available investment capital and thereby to increase their own share of both jobs and international trade - invest less in developing countries, provide fewer jobs in the developing world but help developed countries fund jobs for their own unemployed.

“When barriers between advanced and backward economics are destroyed, a new form of human exploitation can follow, resembling that of colonialism in the 19th and early 20th centuries, complete with new forms of indentured labour”

- Plaff, 25 September, 1997

Equity

Equity will be absent when there are unequal players : the rich and the poor in the country and the rich and poor nations. Action is needful for

- * equity in health and health care services;
- * access for all to essential health care;
- * reduction in the burden of diseases and suffering.

Lifestyles

Health requires healthy life styles. Globalisation often promotes harmful lifestyles through advertisements and trade. One such is the promotion of tobacco.

Cost of health care

Globalization tends to bring costly, sophisticated hospitals, beyond the capacity of the people; so also the cost of diagnostic tests. Yet, by advertisements through various media, people are made to go for these costly procedures, which may be standard in affluent countries, whose per capita income is 100 or more times that of India.

People

The transnational movement of people is restricted by Visor regulations. There is selection. Well-trained personnel of the developing countries are attracted by better remuneration and working conditions in the affluent countries. This causes a drain of qualified health personnel, who have been trained at great expense.

Many of the health personnel go to the richer countries to get better training but do not return. Further the training there may not match the needs of the home country. If they do return, they derm and a duplication of the health care facilities found in the affluent country.