Commercial interests and globalization

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Commercial determinants

“strategies and approaches used by the private sector to promote products and choices that are detrimental to health”

Kickbusch et al 2016
Corporate influence is exerted through four channels:

1. Marketing
2. Lobbying
3. Corporate social responsibility strategies
4. Global supply chains
“trade-investment-services-and intellectual property nexus”

1. Removal of obstacles to foreign investment

2. Enable more globally organised commodity supply chain of producers, importers, advertisers, distributors)

3. Targeting behind-the-border issues, i.e. domestic policy and regulations

4. Empower market players and increase their influence over government policy making
Chapters in trade agreements

1. Quality and quantity of imports
2. Revenue base to fund social programs
3. Foreign direct investment
4. Domestic policy space

Trade in Goods
Trade in Services
Regulatory chapters
Following Vietnam’s removal of restrictions on FDI, SSCB sales growth rate increased from 6.7% per year to 23% per year.

Vietnam projected to be one of the largest growth markets for Coca cola and Pepsico.
Tobacco’s reach into national health policy

Challenged by tobacco industry in three forums:
• High Court
• WTO (Ukraine, Honduras, Dominican Republic)
• Hong-Kong Australia Bilateral Investment Treaty (challenge by Philip Morris Asia using an ISDS clause)
Cacophony of trade & investment

UNESCAP 2016, Asia Pacific Trade Investment Report. ‘Asia Pacific Noodle Bowl’
Other financial instruments/new platforms

Firms are constantly seeking new avenues for profit, new markets, new commodities and new means of exploitation

http://www.darryldriving.org/booksequalityeffects/
Consumptagenic systems:
an integrated network of policies, processes, governance and modes of understanding that fuel unhealthy, environmentally destructive production and consumption.

Friel 2019. Climate Change and the People's Health
Reasons for government inertia…

1. Governments reluctance to implement regulatory policies
   - Pervasive paradigms that market solutions and education will work
   - Regulatory chill
   - Corrupt governments, susceptibility to industry lobbying

2. Industry opposition to governments implementing internationally agreed policies

3. Lack of demand for government action from civil society and the public
Minor tinkering: CSR, PPI, Procedural reforms
Sensitise within and between sectors
Expanded policy space to drive coherent action
Fit for purpose regulatory regime:
  - constraining harmful [commodity] industries
  - enabling progressive ethical business models
HEIA of trade/investment/fiscal/monetary policy
Mobilising capacities and resources