The Impact of Globalization on HIV: A Social Determinants of Health Analysis

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ICAD Consultation on Global Engagement, Ottawa, September 28, 2007
Social Determinants of Health

- The conditions in which people live and work that affect their opportunities for health

- ‘Upstream’ as distinct from ‘downstream’ influences on health outcomes
The pain in our shoulder comes
You say, from the damp; and this is also the reason
For the stain on the wall of our flat.
So tell us:
Where does the damp come from?

Too much work and too little food
Make us feeble and thin;
Your prescription says:
Put on more weight.
You might as well tell a bulrush
Not to get wet.

-- Brecht, “A Worker’s Speech to a Doctor” (1938)
AIDS is a disease of the poor: More than 95% of new HIV infections are in low and middle income countries.

Source: UNAIDS, December 2006
Globalization defined

- “A process of greater integration within the world economy through movements of goods and services, capital, technology and (to a lesser extent) labour, which lead increasingly to economic decisions being influenced by global conditions” (Economist Rhys Jenkins, 2004)
... in other words, emergence of a *global marketplace*

- “A process of greater integration within the world economy through movements of goods and services, capital, technology and (to a lesser extent) labour, which lead increasingly to economic decisions being influenced by global conditions” (Economist Rhys Jenkins, 2004)

- … or more succinctly: “Global supply-chains connecting cheap workers on one side of the world with rich consumers on the other” (The Economist, 2002)
Globalization did not ‘just happen’

- Although technological change has played an important role, a particular form of globalization has been actively promoted (and sometimes enforced) by key major power governments, directly and through their role in multilateral institutions like the World Bank and International Monetary Fund, so that: “For the first time in history, capitalism is being adopted as an application of a doctrine, rather than evolving as a historical process of trial and error” (Przeworski et al., 1995)
Globalization and HIV: Selected channels of influence

- Poverty and economic insecurity, often magnified by the effects of the global marketplace and
- The priorities of the IMF, World Bank, transnational corporations, hypermobile capital
- AIDS as a social determinant of health
- Lack of shared futures within and across societies: Hurricane Katrina as metaphor
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“[M]any of the most devastating problems that plague the daily lives of billions of people are problems that emerge from a single, fundamental source: the consequences of poverty and inequality” (Paluzzi & Farmer, 2005)
By 1988 people in Zaire (now DRC) “had another name for AIDS (SIDA in French) that encapsulated their understanding of its social epidemiology: *Salaire Insuffisant Depuis des Années*” (medical anthropologist Brooke Grundfest Schoepf, 1998).
“Analytically we can anchor the current global migration of women for largely female-typed activities in two specific sets of dynamic configurations. One of these is the global city and the other a set of survival circuits emerging as a response to growing immiseration of governments and whole economies in the global south” (Sassen, 2005)
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“Structural adjustment” policies or programs (SAPs)

- Background: debt crises starting at end of the 1970s as a result of oil price shocks, slumping commodity prices, high US interest rates as well as fiscal improvidence by some developing country governments.
- Starting in early 1980s, SAPS were demanded by IMF, World Bank as price of loans to enable countries to reschedule their debts to external creditors.
“Structural adjustment” policies or programs (SAPs)

- Typically involved currency devaluation, reducing barriers to imports, reorganizing economy around export sectors in order to earn foreign exchange, financial liberalization (capital controls, foreign investment restrictions), reduced government spending (notably on education, health and social protection), and privatization of state assets
“In most of the developing world the IMF is not a figure that swoops in for a quick rescue. On the contrary, for perhaps half of the developing world outside of China and India, the IMF is an all-too-constant presence, almost a surrogate government in financial matters. Not unlike the days when the British Empire placed senior officials directly into the Egyptian and Ottoman finance ministries, the IMF is insinuated into the inner sanctums of nearly 75 developing-country governments around the world -- countries with a combined population of some 1.4 billion. These governments rarely move without consulting the IMF staff, and when they do, they risk their lifelines to capital markets, foreign aid, and international respectability” (Sachs, 1998).
IF YOU POOR NATIONS WANT MORE LOANS, HERE'S WHAT WE WANT TO SEE—GREATER BALANCE OF TRADE EQUILIBRIUM, APPROPRIATE CURRENCY ADJUSTMENTS...

AND AN END TO SUBSIDIZED CONSUMPTION WHAT DOES ALL THAT MEAN? EAT LESS

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One of the most important articles on globalization and HIV/AIDS


J HEALTH POPUL NUTR 2005 Jun;23(2):105-120 © 2005 ICDDR,B: Centre for Health and Population Research
ISSN 1606-0997 $ 5.00+0.20

REVIEW ARTICLE

Potential Impact of Adjustment Policies on Vulnerability of Women and Children to HIV/AIDS in Sub-Saharan Africa

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ABSTRACT
This paper evaluates the potential impact of adjustment policies of the International Monetary Fund and the World Bank on the vulnerability of women and children to HIV/AIDS in sub-Saharan Africa. A conceptual framework, composed of five different pathways of causation, is used for the evaluation. These five pathways connect changes at the macro level (e.g. removal of food subsidies) with effects at the meso (e.g. higher food prices) and micro levels (e.g. exposure of women and children to commercial sex) that influence the vulnerability of women and children to HIV/AIDS. Published literature...
De Vogli & Birbeck identify multiple pathways with a common thread: the logic of the marketplace increases economic insecurity, endangers livelihoods, and renders the situation of women and young people (in particular) more precarious …
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While user fees and other barriers reduce their access to critical services like education and preventive health services
External debt service continues to dwarf development assistance inflows

“[D]ozens of heavily indebted poor and middle-income countries are forced by creditor governments to spend large parts of their limited tax receipts on debt service, undermining their ability to finance investments in human capital and infrastructure. In a pointless and debilitating churning of resources, the creditors provide development assistance with one hand and then withdraw it in debt servicing with the other” (UN Millennium Project, 2005).
A more recent case: IMF and public expenditure ceilings

Expenditure ceilings, multilateral financial institutions, and the health of poor populations

Gorki Dirris, Ted Schrecker

“Grace in the Positive”
In December, 2001, 29-year-old Graça Neves approached the Médecins Sans Frontières (MSF) team in Mozambique. Ms Neves, one of the few Mozambican people openly living with AIDS, felt that she was going to die soon and wanted a documentary to be made about her final weeks or months. “I want to thank the people that supported me and convinced me not to commit suicide”, she said, “and I want my children to know that I have fought until the end to be there for them. But most of all, I want the people of Mozambique to know that AIDS is real.”

MSF had just received a green light from the Mozambican ministry of health to set up and run an antiretroviral treatment pilot project in one of the public-health centres in Maputo, Mozambique’s capital. “Graça no Positivo” (Grace in the Positive), the documentary.

In some countries, health-spending targets identified in the MTEF have functioned, at least temporarily, as health-spending ceilings: the requirements of the IMF appear to mean that countries must include the value of all new donor funding received for initiatives such as scaling-up delivery of antiretroviral treatment. In a news item published in The Lancet, the reporter pointed out: “if a sector receives any new funds that were not initially budgeted for, it forfeits a similar amount from the government coffers.” Such expenditure ceilings create an obvious disincentive for external funders to offer financing that is desperately needed for such interventions. One of us (GO) was warned by health ministry officials about this problem in 2002 while serving on the Mozambican Country Coordination Mechanism, a group set up to elaborate proposals for submission to the Global Fund. Only direct intervention
A more recent case: IMF and public expenditure ceilings

- IMF’s Independent Evaluation Office (2007) found that in 29 countries in sub-Saharan Africa, only 27 cents of every anticipated new dollar of aid received was allocated to program spending; balance was used to accumulate foreign exchange reserves or pay down domestic debt.

- Primary concern is with keeping inflation low, limiting “fiscal expansion”
"[C]ountries that successfully attract large capital inflows must also bear in mind that their continued access to international capital is far from automatic, and the conditions attached to that access are not guaranteed. The decisive factor here is market perceptions: whether the country's policies are deemed basically sound and its economic future, promising. The corollary is that shifts in the market's perception of these underlying fundamentals can be quite swift, brutal, and destabilizing" (Michel Camdessus, then head of IMF, 1995).
Capital flight

- “[T]here would be no debt crisis without large-scale capital flight” (McGill economic Historian Thomas Naylor, 1987)

- “During 1970–96, roughly 80 cents on every dollar that flowed into [sub-Saharan Africa] from foreign loans flowed back out as capital flight in the same year” (Ndikumana & Boyce, 2003; emphasis added)

- 40 percent of Africans’ private wealth is held outside the continent (Collier et al., 2001) and …
Options for redistributive social policy in Latin America are limited because “too many of the Latin rich have the option of placing too many of their assets in Miami” (Williamson, 2004)
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Life Expectancy at Birth, Five sub-Saharan Countries

Source: United Nations World Population Prospects database, 2006 revision
Trends in reported HIV cases, Russian Federation and Ukraine

Source: Official figures reported in UNAIDS, 2006
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Urban districts whose residents are not part of the “process that connects advanced services, producer centers, and markets in a global network” can become “irrelevant or even dysfunctional: for example, Mexico City’s colonias populares (originally squatter settlements) that account for about two thirds of the megapolitan population, without playing any distinctive role in the functioning of Mexico City as an international business centre.” Thus, large metropolitan areas will contain substantial “local populations that are either functionally unnecessary or socially disruptive” (Castells, 1996)
Compare the explanations offered by Patrick Bond (2001) and Nicoli Nattrass (2004) of the South African government’s notorious reluctance to provide publicly financed ART.
Conclusion: a leading Canadian politician speaks out on the global marketplace

“I'm not one for handing out lots of bilateral assistance government to government. I think it's basically a mistake. What you want to do is create international economic regimes that say 'this is tough love time.' If you've got a product we want, we'll create a fair international regime; and if you can get your beans to our market, terrific.

What I don't like is a kind of developmental ideology that says, 'All the problems of the developing world are our fault, and if we just make nice Africa would be better.' It's not true. What we need to do is say, 'This is a competitive world -- if you have something we want, we'll play fair.' End of story”

(Michael Ignatieff, October 2005)

References


For additional background:

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