



**World Federation of Public Health Associations**  
**Fédération mondiale des associations de santé publique**  
**Federación mundial de las asociaciones de salud pública**

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**Promoting Health In An Era Of Global Free Trade**

Passed by the WFPHA General Assembly - 1998

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**The World Federation of Public Health Associations,**

Aware that a healthy and prosperous society is one in which wealth is produced in an ecologically sustainable manner and equitably distributed among its citizens;

Concerned that free trade agreements have diminished the prospects of wide-spread health and prosperity in several ways: by concentrating the accumulation of capital and power in the hands of fewer individuals and transnational corporations;<sup>1-3</sup> by fostering increased resource consumption and further stressing the environment;<sup>4</sup> and by diminishing the ability of national governments to attain their social goals as they compete for global capital investment by reducing social spending, forcing wage rates downwards, weakening environmental and labor legislation, and relying on regressive consumption taxes; <sup>5,6</sup>

Noting that, if national governments are to regain their ability to finance redistributive social programs and protect environments,<sup>7</sup> there will have to be international regulatory mechanisms for exerting some control over transnational capital flow and capital accumulation;

Mindful that, although the World Trade Organization (WTO) has enforcement mechanisms to discipline signatory nations that fail to abide by liberalized trade agreements, the United Nations agencies that oversee "social clause" charters such as those concerning protection of the environment, the rights of the child, and the international labor code, must rely on moral suasion to influence signatory nations to build such clauses into domestic policy;

Recognizing that OXFAM and other nongovernmental organizations have launched a campaign to include social clauses in WTO trade agreements, in order to use the enforcement mechanisms of the WTO to regulate global capital for human welfare improvement and environmental protection;<sup>8</sup>

Emphasizing that the World Federation of Public Health Associations is committed to advocating policies that will enhance the social, economic, and environmental conditions affecting the health of the global community;

Noting that the Organization for Economic Cooperation and Development (OECD) is currently developing a Multilateral Agreement on Investment (MAI) that will constrain



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governments' ability to regulate investment to achieve and protect citizens' social, economic, environmental, health, and other national interests;

Aware that presentation of the MAI to OECD member states for ratification can be expected in the very near future;

Believing that adoption of the MAI by OECD member states would significantly undercut the campaign to incorporate social clauses within the World Trade Organization trade agreements and would work contrary to WFPHA's international commitment and support for public participation, empowerment, and the principles of healthy public policy;

1. ENDORSES the campaign to incorporate social clauses within the World Trade Organization (WTO) trade agreements;
2. RESOLVES to communicate with public health and other public interest organizations internationally, and particularly those organizations in economically developing countries, to convey our concerns and intentions with respect to this issue, and to participate with these organizations in the creation of a networked global health lobby for the social clause campaign;
3. URGES the 51st World Health Assembly to address these concerns.

### **References**

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- 3 Burbach, R., Nunez, O. and Kagarlitsky, B. Globalization and its Discontents. London: Polity Press, 1997.
- 4 Canadian Public Health Association. Human and Ecosystem Health. Ottawa: CPHA, 1992.
- 5 Bergsten, C. Fred. Competitive Liberalization and Global Free Trade: A Vision for the Early 21st Century. APEC Working Paper 96-15, 1996.
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- 8 OXFAM, 1996.