

ORIGINAL RESEARCH

The corporatization of global health: The impact of neoliberalism

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Abstract

Concomitant with the emergence of a neoliberal precept for global health is the decline in support for publicly funded programs working to alleviate health disparities in poor countries. An unequivocal faith in the privatization and marketization of public health services is evident in current day national policy reforms. Commodification of health services is perceived as a cure-all. Privatization of global health initiatives contrasts with the past institutional paradigm. Corporate and philanthropic power trumps intergovernmental governance. The epistemological precept is clear: Global health is best served with mandated private initiatives. Powerful foundations cause critical shifts in the balance of power among stakeholders and become preeminent players in global health policy agenda formation. The ethics of consequentialism have attained current day prominence. This contrasts with the merits and relevancy of deontological ethics in which rules and moral duty are central. In this paper, authors make a case for contesting the ethos of *effective altruism* or *venture philanthropy*, suggesting that this approach keeps nations and people from recognizing the oppressive nature of neoliberalism as a governing precept for global health.

Keywords: global health governance, global health leadership, venture philanthropy.

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The oligarchs of philanthropy

Over the past forty years of expanding globalization, waves of deregulation and privatization have facilitated the power of private actors. In a 2015 Global Policy Forum (GPF) report, Jens Martens and Karolin Seitz highlighted widespread concern over the power exerted by the philanthropies of corporations, foundations, non-governmental organizations (NGOs) and charitable organizations (1). Transnational corporations – companies operating in multiple countries – exert significant influence within the global economic system, gaining political clout in the process. The GPF reports equate “big philanthropy” with “big business” in their expanding influence on global development policies through grant-making, personal networking and active advocacy. The report points to the need for a renewed political discourse that carefully scrutinizes the impact of these NGOs on the global health policy agenda. It underscores the need to fully analyze the risks and consequences of letting organizations such as the Bill & Melinda Gates Foundation (Gates Foundation) and the Rockefeller Foundation shape the priorities of health programs in developing countries.

In the first half of the last century, the Rockefeller Foundation was particularly influential in shaping the discourse on global health and building the institutional structure of global health governance (1). Since the turn of the millennium, however, the Gates Foundation has become the leading actor. In 2012 and 2013, the amount spent by the Gates Foundation on global health was equal to one half of the total budget of the World Health Organization (WHO) (Gates Foundation: U.S. \$1.98 billion; WHO: US\$ 3.96 billion). The Gates Foundation demonstrates a strong preference for measures based on a biomedical view of public health and clearly embraces the application of innovations and new technologies. This is true despite the fact that in the beginning of the 20th century, public health improvements were mainly achieved through improvements in social conditions, such as hygiene, nutrition, improved housing and education. Martens and Seitz have suggested that the Gates Foundation approach to tackling global health challenges is disease-specific, using vertical health inventions through vaccines in lieu of a horizontal and holistic approach through overall health system strengthening. Grants made by the Gates Foundation are earmarked or limited to specific program areas. This prompted former WHO Director General Margaret Chan to state at the time that: “My budget is highly earmarked, so it is driven by what I call donor interests” (1).

The WHO is the foremost proponent and caretaker of global health initiatives. It was founded in 1948 as part of the United Nations (UN) to act as “the directing and coordinating authority on international health work” (2). With the arrival of new and powerful actors in the global health arena its importance has steadily dwindled. These new actors dispose of significant resources made available by a wide range of private contributors and corporate philanthropy. The growing importance of private contributions coincides with a decreasing assessed contribution support provided by member states (WHO). Assessed contributions are non-earmarked contributions, whereas voluntary contributions come from private organizations or public institutions and are earmarked for special programs, with donor conditions attached. Earmarked contributions undermine the WHO’s capacity to remain true to its original role as a global health authority to direct and coordinate international health work (2).

The arrival of modern philanthropy

The history of modern philanthropy can be traced to the early 19th century in the United States. Motivated primarily as a way to shield private and corporate fortune from taxation and to gain prestige and political influence, wealthy individuals such as John D. Rockefeller (1913) and

Andrew Carnegie (1911) set up the first charitable foundations. In the 1930s, increased income and estate taxes in the U.S. led to further proliferation of U.S. foundations set up by wealthy individuals, most notably by industrialists such as W. K. Kellogg and Henry Ford, creating the most influential foundations with global reach and foundation-supported programs established all over the world (2).

Beyond charitable philanthropic foundations, the number of nongovernmental organizations has proliferated. The term NGO entered common usage through the UN charter at the end of the World War II (WW II). Prior to that, missionary groups, religious orders, and scientific societies engaged in activities crossing continents (3). Whatever the motivation, the population of charitable foundations in the form of NGOs alone now numbers 20,000 globally (3). Criticism of the expanding influence and power of NGOs is mounting. Issa G. Shivji argues that the sharp rise in the number and power of NGOs is due to the neoliberal paradigm and does not purely represent altruistic objectives (4). Shivji criticizes NGOs for aiming to change the world without understanding it and warns that they perpetuate imperial, North-South relationships. James Pfeiffer points to the fact that over the last decade, NGOs (in Mozambique) have fragmented the local health system, undermined local control of health programs, and contributed to growing local social inequality (5). In the geo-political scope, NGOs have been criticized for representing an extension of the regular foreign-policy instruments of some Western countries and groups of countries. According to Michael Bond, "Most large NGOs are striving to make their aid provisions more sustainable. However, some, "mostly in the US, are still exporting the ideologies of their backers."(6).

Viera Pawliková -Vilhanová has traced the evolution of NGOs in Africa , suggesting that their roles represent a continuation of the work of their predecessors, the missionaries and voluntary organizations that cooperated in Europe's colonization of Africa. The author further maintains that the work of NGOs today undermines the efforts of African people to emancipate themselves from economic, social and political oppression. Development NGOs have become part of the neoliberal system that has resulted in widespread impoverishment and loss of the authority of African states to determine their own agendas. NGOs could, and some do, play a role in supporting an emancipatory agenda in Africa, but that involves abandoning the role of missionary by disengaging from paternalistic roles in development initiatives (7).

Efforts to shape stakeholder interests into a uniform global health agenda have led to a recommendation to give intergovernmental institutions such as the WHO a greater diplomatic role, working with nations and philanthropic elites, NGOs and international corporations (7). This could strengthen international cooperation and create needed synergies for confronting global health challenges. WHO Director General Gro Harlem Brundtland (1998-2003) is credited with first proposing that the WHO take on this political role. Dr. Brundtland advocated a normative dimension in global health. The approach emphasized the goal of a healthier world rather than serving a realpolitik line advancing individual state and institutional interests.

From the WHO's original position of promoting health as a human right, the organization has taken on a technocratic approach, prioritizing disease control. Consequently, there is less emphasis on governance issues focusing on social control and the reallocation of resources. A significant factor associated with this policy has been a subscription to economic efficiency as espoused by the powerful foundations promoting their brands of venture philanthropy. The tenet has been to accept a reduced role for the state and intergovernmental institutions when faced with global health challenges. In this way, the system has enabled private organizations to assume a greater role in setting priorities and controlling project governance.

Challenges

The proliferation of neoliberalism has, according to Global Health Watch # 4, produced a “global health crisis” in crafting a new global health agenda (8). As the scope of global health challenges grows, so does the call for comprehensive measures to alleviate immediate crises of disease and hunger. Equally important is the need for strong governance institutions to strengthen public health programs and to ensure the capacity to meet future health challenges. To succeed, transnational preparedness will be necessary and attainable only through joint and transparent initiatives focusing on long term and comprehensive priorities.

Meanwhile there are power struggles underway between intergovernmental institutions with authorities mandated to act on behalf of a global consensus and the emerging corporate/philanthropic initiatives capable of thwarting any institutional momentum. Non-bona fide actors are rendering intergovernmental institutions significantly weaker in their efforts to carry out their mandated roles of “directing and coordinating authority on international health work” (2).

Dominant philanthropic foundations have succeeded in creating a web of corporate, public and private actors working in unison and acting authoritatively relative to public governance. Succumbing to this corporatization of global health, the WHO collaborates with powerful philanthropic foundations targeting specific projects, most commonly vaccine programs. The price paid is the relinquishing of global health governance to project organizations that do not answer to any national or international authorities with regard to priorities, transparency or any considerations relative to recipient countries. Through a process of transforming global health into a neoliberal policy framework, it has brought about a refeudalization of global health. The community of nations comprising the WHO has abandoned moral and ethical ideals in favour of practical realities.

In “The Structure of Scientific Revolutions” (9), Thomas Kuhn paraphrased the old Greek concept of Paradigm, originally meaning a model or a pattern that the Demiurge (the God) used when creating the cosmos, and thus offered a way to interpret the world. In more modern terms, Kuhn describes a scientific paradigm as a universally recognized achievement that, for a time, provides a framework for solutions for a community of practitioners. The idea that a current paradigm represents the only conceivable reality works to protect the paradigm from being undermined. Kuhn’s thesis may be considered relevant in light of the current neoliberal scheme in global health. Corporate oligarchs seem currently secure in their capacities to enforce their desired objectives.

The paradigm of neoliberalism seems unassailable, as its popularity is embedded in public health governance in national, international and intergovernmental organizations. Generally, the greatest barrier to any paradigm shift is the inability or refusal of the public to see beyond the current model of thinking. Opposition to neoliberalism appears to be insignificant, considering the present day scope of application. Economic models promoting commodification and marketization of what were previously considered public goods and services are secure. Global trade agreements facilitated by financing institutions such as the World Bank, the International Monetary Fund (IMF) and the European Central Bank (EUB) enhance globalization, capital accumulation and the reconstituting of social class structures. Reversing this embodiment of ideology, social construction of knowledge and related, powerful institutions today seems incomprehensible.

A way forward?

Kuhn described the possibility for movements that could lead to a *paradigm shift*, an overthrow of an incumbent paradigm. In his classic book, “The Structure of Scientific Revolutions” (9), Kuhn concludes that, “The successive transition from one paradigm to another via revolution is the usual developmental pattern of mature science” (9). Neoliberalism’s history vested in social philosophy and economic liberalism may hardly be termed a mature “science”. Even metaphysics lost its significance with the arrival of the Enlightenment, setting the stage for scientific revolutions. Paradoxically, one may perceive hope for a paradigm shift or, in what Foucault termed an epistemological shift, confronting a paradigm in the perspective of competing worldviews.

The French philosopher Michel Foucault (1926-1984) employed the old Greek term *episteme* and *discourse*, in a highly specialized sense, in his work, “*The Order of Things*” (10). An episteme referred to the historical *a priori* that grounds knowledge and its discourses. It represents the condition of their possibility within a particular epoch. Herein lies hope for a paradigm shift, where Foucault’s model of discourse may be applied to contest the current day epistemology and challenge the feudal order of global health. Jeremy Shiffman outlines such an approach, drawing on the theory of social constructivism (11). Shiffman suggests that the rise and fall of a global health issue may have less to do with how “important” it is in any objective sense, and more to do with how supporters of the issue come to understand and portray its importance:

“The rise, persistence and decline of a global health issue may best be explained by the way in which its policy community - the network of individuals and organizations concerned with the problem - comes to understand and portray the issue and establishes institutions that can sustain this portrayal” (11).

Beliefs and activities are best understood from the perspective of cultural origin. Berger and Luckman, suggest an explanation to aid in understanding the popularity of neoliberalism today when viewed in the context of global health. The qualitative understanding of society is a social construction of reality and a function of a cognitive bias. Knowledge is socially constructed, as are ideologies, subjecting populations to norms and controlling their lives and institutions. Michelle Foucault’s perspectives of power and, particularly the power of profession, are a reminder of the role that power plays in the discourse of society. In much of his work, Foucault’s thesis was that any dominant ideology serves the interest of the ruling class (10). In linking this latter precept of power to his thesis of modern medicine, Foucault viewed the power and accomplishments of modern medicine as an epistemological shift ascribed to the consequence of the modern medical clinic manifested in its institutional power. It is perhaps a novel proposal of this paper to equate Foucault’s thesis to the significance of modern day institutions such as the IMF, the World Bank and the World Trade Organization serving in empowerment capacities for neoliberalism.

Following Foucault’s thesis, only the process of philosophical reasoning could generate an epistemological shift, thereby displacing the neoliberal paradigm and its governing precepts of global health. In what Foucault labels *discursive formations*, a humanistically inspired exchange of views could be contrasted with corporate vested neoliberalism. This may ultimately displace the prevailing attachment to the governance of global health initiatives by corporate and philanthropic elites. It holds the promise of bringing about the re-emergence of global health governance vested in the transnational consensus of elected representatives. It increases the likelihood of global health policies and programs designed in the public interest, with resources

directed to those initiatives of greatest priority to ensure improved health and health equity for all people worldwide.

The implications for global public health practice are profound. The way forward must begin with broad, inclusive philosophical reasoning, discourse and debate about the role of corporate philanthropy and the ethics of treating health services as commodities.

Conclusion and implications for practice

The obstacles to advancing global health in the best long-term public interests are not only related to accessing and prioritizing resources. They include disputes about ideologies, philosophies and competing vested interests. The commodification and marketization of health services, interventions and technologies attract powerful corporate actors capable of circumventing intergovernmental institutions and any other public governance initiative that poses a threat. The current situation highlights how the concepts of effective altruism, corporate philanthropy and the practice of utilitarianism sideline public institutions to bring about local and national autonomy.

Decades of neoliberal measures vested in the governing policies of developed countries encourage public-private partnerships that escalate the dominating role of the private sector. Discussions and debates that critically analyze the impact of neoliberalism may seem unrealistic, considering how entrenched the precept of economic liberalism is around the world. It is embedded in the charters of international trade policies enforced by institutions such as the World Bank, the IMF and the World Trade Organization, with the supportive groundwork of the OECD.

This union between the corporate world and a public sector vested in neoliberal dogma illustrates the need for powerful, transformative actions that can bring about change. The Thomas Kuhn theory of scientific revolutions is salient. Replacement of the existing paradigm will require bold, determined efforts. A discursive formation to reach consensus is a necessary first step.

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