





"Healthy People, Healthy Planet"
The Annual Lecture in the Business & the Environment Programme
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Your Royal Highness, Ladies and Gentlemen,

Almost exactly 24 years ago, I was called at midnight from a wedding dinner and informed that there was a blow out of a well at the Ekofisk field in the North Sea. As an environment minister, I was less shocked about such an accident than many of my colleagues. I knew the oil drilling in the North Sea was pioneering work. I had been arguing that risks were real and that oil spill equipment must be put in place.

Luckily, after an intense week with little time for sleep and food, we managed to cap the well, and the spill turned out to do less environmental damage than we had feared.

The Ekofisk blow-out was a turning point for the Norwegian people as well as for its politicians. For many, this was the first time they fully realized that environmental questions were not a peripheral issue for conservationists, but a policy area right at the centre of the country's economic development. Investment in the environment was an integral part of investment for the nation's future.

Over the past forty years, I have been deeply involved with three powerful movements: for democracy and participation of women, for the environment and for global public health. Environment moved centre stage in the 1980s. We have been through a decade of real gains for democracy, and women's participation have made substantial strides too. Major interest in global health is scaling up now. Are there parallels to be drawn?

The first reflection is on the key importance of awareness raising. Progress in such areas are very limited without a solid and informed public debate which creates a real political momentum for action. This process is primarily driven by civil society and the media.

With the environment major events that triggered attention were Rachel Carson's "Silent Spring" and later the report from the Club of Rome. This not only raised awareness but also inspired a profound ethical debate.

That debate flourished within open and democratic societies. It was enhanced by eastern European peoples as their countries underwent transition. It was taken on by women the world over. It has been sped up by the developments in communication technology.

At first, however, this debate was mainly limited to those with special interests. The issue did not move into central decision making. What was lacking was a convincing, undeniable link to economics.

As a young environment minister I came to the conclusion that you cannot make real changes in society unless the economic dimension of an issue is fully understood. I firmly believe that this is what took the environment from being a cause for the convinced and marginal green to becoming an issue for real societal attention by major players. It was necessary for the scientific facts to come in. The true costs of environmental degradation were analysed and spelled out in figures. The political importance of environment changes became an issue for voters. Then, gradually, governments and parliaments started to establish incentives to change behavioural patterns among industry and consumers.

Indeed, with an increasingly strong and robust economic argument, it was possible to make sense both of government investment in the environment, and commercial investment in the development of cleaner technologies. We moved from a situation of market failure to one in which the market was made to serve global interests: sustainable environment has gradually come to be seen as a global public good.

The success in engaging finance ministers and heads of state and make them understand the developmental consequences of environmental policies, combined with an active collaboration with media, non-governmental organizations and other parts of civil society, were the elements that made the findings from the World Commission on Environment and Development significantly change events. This also helped create the momentum which drove the process towards the Rio Summit in 1992.

His Royal Highness shared his commitment to the issues of sustainable development through his presence in 1987, when we launched "Our Common Future" here in London.

Your Royal Highness: Your interest and dedication left an impression on us all at a time when we could still not judge the impact of the report, its analysis and recommendations on international debate and on policy change.

Recently, we have been witnessing similar processes with the issues of health.

The moral case has been made for years, and - by and large - has been ignored: Until recently the illness of poor people was not seen to have an impact on those who are better off. The international community saw the ill health of poor people mainly as an issue for minimal levels of development assistance and charitable action.

For global health, the HIV/AIDS pandemic seems to be eye-opener that the Ekofisk accident was to environmental issues among Norwegians. The debate over the moral, economic, social and security consequences of this catastrophe now unfolding around the world, has forced health onto the agenda in a way we have not seen before.

Health has now taken a central place; within the context of debt relief discussions, as a central element of campaigns around structural causes of poverty, the new focus on women and children issues. There is growing awareness and a movement for change. It is utterly unacceptable that preventable diseases should be partly responsible for keeping billions of people in poverty.

I mentioned that for the environment, the link to the economic impact was central in creating a momentum towards change. What about health?

When I took up my post at the World Health Organization, there were some early indications that there was more to the relationship between health and development than what had traditionally been accepted.

To increase our understanding about this key relationship, I formed the Commission on Macro-economics and Health. Now, a good year into its work, it is beginning to assemble some powerful evidence for saying that we have massively under-estimated the role that health can play in determining the economic prospects of the world's poor communities.

I believe we are now standing at the threshold of a major shift in thinking. Until recently, many development professionals argued that the health sector is only a minor player in efforts to improve the overall health of populations. And the overwhelming majority of finance officials and economists believed that health is relatively unimportant both as a development goal and as a strategy for reducing poverty. Health spending was seen as consumption of scarce resources rather than investment in a common future. But this is changing. Health may be far more central to poverty reduction than our macroeconomist colleagues previously thought.

We have known for years that people who are poor are more likely to get sick. But we now know much more about how ill-health also creates and perpetuates poverty, triggering a vicious cycle which hampers economic and social development and contributes to unsustainable resource depletion and environmental degradation. We are seeing evidence that health gains trigger economic growth and, if the benefits of that growth are equitably distributed – this can lead to poverty reduction.

We find too that societies whose health status is good are societies where people are able to learn to their full potential, earn their living and nurture others — be they children, older people or those with disabilities. This observation underlines the importance of placing health in a wider social and political context.

Think about it: in poor countries, it would take very little to increase life expectancy by addressing the main killers of children and adolescents. And yet a five-year difference in life expectancy may yield an extra annual growth of 0.5%. It is a powerful boost to economic growth. Modest improvements in health can help children, women and men to better achieve their potential, unlocking value in every area of their lives.

As in Europe at the end of the 19th and beginning of the 20th century, we have seen that developing countries which invest relatively more, and well, in their peoples health are likely to achieve higher economic growth.

In East Asia, for example, life expectancy increased by over 18 years in the two decades that preceded the most dramatic economic take-off in history.

A recent analysis for the Asian Development Bank concluded that fully one-third of the phenomenal Asian economic growth between 1965 and 1997 resulted from investment in people's health.

Today, more and more economists and development specialists recognize that if public funds are carefully spent and lead to improvements in people's health, they represent an investment in any country's prime asset: **its people**. Developing country leaders -from Africa, central and South Asia and Latin America, maintain that if the world's poorest countries are to have any chance of catching up with the rest, they need to invest in health. The stewards of the global economy - in the World Bank and IMF, and in the treasuries of the richer nations, are reaching the same conclusion.

The new economic analysis is starting to yield political consequences.

One is the growing recognition that our world is turning into a two speed global society: perhaps a billion people are enjoying unprecedented prosperity and advantage, while nearly half are living on less than \$2 per day and have extremely limited prospects for prosperity. This is the unacceptable – but not inevitable – consequence of globalization.

Another is the realization that this perpetuation of poverty and deprivation creates an insecure world for us all. Ill health undermines human security.

A third is new evidence on the ways in which frequent and severe illness keeps people and their societies poor, and prevents them from taking advantage of opportunities to earn, to learn and to have a better life. Widespread illnesses, such as HIV/AIDS, malaria or TB, also reduce the size of global markets and the prospects for international companies in large parts of the world.

Recent evidence shows how disease undermines economic progress. Consider the burden of HIV infection. HIV prevalence rates of 10-15% - which are no longer uncommon - can translate into a reduction in growth rate of GDP per capita of up to 1% per year. TB, which is exacerbated by HIV, takes an economic toll equivalent to \$12 billion dollars from the incomes of poor communities.

Africa's GDP would probably be about \$100 billion higher now if malaria had been tackled 30 years ago, when effective control measures first became available. Even today, half a billion cases of malaria each year lead to the loss of several billion days of productive work: we do not need to accept this continuing inequity when we have access to measures that will reduce the impact of this disease on poor populations.

The economic burden of Tuberculosis infection in India alone is \$300 million annually. Some 100 million work days are lost due to TB, and one third of the total economic impact of TB is incurred by those who suffer from the disease. Most of them are poor and they can ill afford this extra burden . The World Bank has shown that the economic costs to society resulting from tobacco-related disease by far outstrips the gains from tobacco production, sales and taxes, even in large tobacco producing countries like Zimbabwe and Indonesia.

The concern that "we will all go together, when we go" was central to the argument of the World Commission on Environment and Development. The new analyses, now being pulled together by the WHO Commission on Macroeconomics and Health, are similar.

Illness does not respect national boundaries. The patterns of globalization that promote increasing inequities will encourage the spread of illnesses - particularly those which are associated with extreme poverty. In the modern world, bacteria and viruses travel almost as fast as money. With globalization, a single microbial sea washes all of humankind. There are no health sanctuaries.

The separation between domestic and international health problems is no longer useful, as over two million people cross international borders every single day. A tenth of humanity each year.

The Government of the United States has declared that the global epidemic of HIV/AIDS is a national security threat. Russia's people, and those in neighbouring countries, are seriously concerned with the rapid spread of multidrug resistant tuberculosis: governments and partners are doing their best to respond.

It is not only the infectious diseases that spread with globalization. Changes in lifestyle and diet prompt an increase in heart disease, diabetes and cancer. More than anything, tobacco is sweeping the globe as it is criss-crossed by market forces. Only weeks after the old socialist economies in Europe and Asia opened up to Western goods and capital, camels and cowboys began to appear on buildings and billboards.

New global health emergencies arise with little warning. The issue of BSE and its link with Creutzfeldt-Jakob disease has led to a global emergency within a period of a few months. None of us knows the final cost of BSE and the threat it carries of Creutzfeldt-Jakob disease, but it looks likely to run in the order of several tens of billions of dollars. It will certainly be associated with several ministerial resignations and crises for more than one government.

Your Royal Highness,

Now we can clearly see the powerful relationships between health, environment, economics and society.

Global warming, air and water pollution, biological and chemical pollutants in the food chain: all have an impact on health.

Environment and health are both inextricably linked to development. "Poverty is the greatest polluter", said Indira Ghandi. She did not blame the poor. She pointed to the obvious: As long as people are poor the immediate issue is survival. Caring for the future is a luxury.

So poverty links health and environmental issues together. We are moving towards a comprehensive view of development, focused on poverty reduction, participatory democracy and empowering of all groups in society.

As we look to the future, we are presented with two sharply different scenarios. Which of them we will turn into reality depends on the extent to which we can secure the political backing for firm global action.

The first scenario is truly horrendous. The incurable illness caused by HIV has already infected 36 million people in our world, and could still bring about devastation that far exceeds our most pessimistic expectations. The number of people infected with HIV doubles every year in Russia. HIV infection has progressed from a disease experienced mostly by the country's intravenous drug-users to joining tuberculosis as one of the country's largest public health threats.

India could well be the scene of the next explosive increase in HIV infections: the pessimistic projection is that it will supersede what we have experienced in Africa over the past decade. China is also under threat of a major epidemic.

Climate change as a result of global warming is already breaking down century-old borders for malaria, spreading the disease into areas which have been free of the disease for decades or may never before have been under threat. Increasingly, malaria parasites are becoming resistant to commonly used and inexpensive medications.

Climate change may also be linked to the recent increase in violent weather patterns with a growing number of natural disasters bringing death and destruction in their wake.

Air pollution will be a growing health hazard. WHO estimates that close to half a million people are dying prematurely world-wide from exposure to air pollution, much of it linked to increased car density. In many Asian cities there has been an explosive rate of growth of cars, by as much as 600% during the last two decades.

The combination of pollution, lack of sanitation, the growing migration from the countryside to the cities and extreme poverty, have made many of the cities in the developing world extremely dangerous to the health of those who live there. One of my staff members who until recently lived in Manila – one of the great urban centres of Asia – saw both his children infected by TB and some of their

neighbourhood children die from dengue fever. And he didn't live in a slum. These diseases had already jumped the barbed-wire fences protecting the neighbourhoods of manicured lawns and swimming pools.

In addition, developing countries must deal with the double burden caused by increasing levels of noncommunicable diseases. This is brought about by rapid changes in lifestyle and eating patterns. Urbanising developing countries will increasingly have to cope with the cost of treating cancers, diabetes and heart disease, as well as a growth in mental illness.

Tobacco, is of course, the cause of most heart and cancer-related diseases. If the growth in tobacco use goes unchecked, the numbers of deaths related to its use will nearly triple, from four million each year today, to 10 million each year in thirty years. Practically the entire growth in tobacco-related mortality, more than 70% of these ten million deaths, will take place in developing countries.

If we do not act positively, with courage and resources, the gap between the three billion who live on less than \$2 per day and the rest of us will increase. It will also threaten the economic development of large parts of the world – and in doing so affecting both the prosperity and the political and military stability of our whole world.

There is a real alternative. The second scenario is one where the mortality of the main infectious diseases, such as malaria, tuberculosis and HIV/AIDS is drastically reduced. Where issues such as global warming and serious pollution are dealt with through forceful international action. And where global negatives, such as the impact of tobacco sales and marketing can be dealt with through internationally negotiated regulation.

Such a scenario calls for powerful political leadership, and democratic action by all – women as well as men. This means joint working by governments, civil society and the private sector. There is no other way.

There are signs that we are moving in this direction. The political commitment is evident. Heads of State recognize that good health is essential - to fuel the engine of development, to unleash the forces of economic development and to permit the reduction of poverty.

We know how to reduce suffering in poor communities.

Quite simply, if proven interventions are taken to scale - and by that I mean to a global scale - we can contribute to real reduction in poverty and sow the seed of longer-term prosperity and security.

Later this year, WHO's Commission on Macroeconomics and Health will provide a road map setting out what can be done. It is already evident that the sum total of current government, development agency and corporate effort is nowhere near enough to make a real difference over the next decade. A massive increase in finance and human resources is needed.

We expect nations that support development to contribute to a steep increase in levels of resources for better health of poor people. The G8 and European Commission have already made commitments. Several billion dollars of additional funding are under discussion.

The discussions that are underway in London, in Brussels, in Washington, focus on how best to use these unprecedented amounts for health in countries with under-resourced health systems and weak governmental infrastructure. When the focus shifts to outcomes, how do you make sure interventions reach the furthest village? How do you measure performance? How do you assess progress? In short, how can we be sure we are buying real health for our money?

At WHO, we are working hard to provide answers to these questions, to reassure donors that money invested in health will bring tangible returns. WHO is identifying the best technical strategies to tackle the diseases that cause poverty. We are helping to ensure that effective channels get funds and services to those who need them. We are preparing systems to monitor progress and assess the results.

What I am talking about is a fundamental break from "business as usual". This break includes a realization that governments can only do so much. The private sector and civil society must play a crucial role if we are to succeed.

Let me give you an example. Triggered by the terrible realities of the HIV/AIDS epidemic, the pharmaceutical companies have come under pressure to change the entire structure it uses for pricing drugs that are needed in developing countries, but which these countries cannot afford. This is a complex process. Drug prices are only one of several key factors that will improve access to medicines for all those who need them.

What has changed is the combination of new awareness, negotiation, competitive pressures and political support that drives this process forward. The research-based pharmaceutical industry has pledged understanding and support for the principle of widening access to drugs.

This is not trench warfare. It is a partnership for change where all parties are out to find the best possible solutions. Partnership that is driven by enlightened self interest, not charity.

This is the way forward. Often the best partnerships are those that are forged between unorthodox entities. When people with vastly different backgrounds come together with a shared purpose, creativity is released and expertise is used in innovative and constructive ways.

In that spirit, we are working with companies and foundations - to develop new treatments, vaccines and preventive measures.

We encourage approaches to health action that involve all sections of society. People themselves, joined by public and private partners who promote best public health practice with new energy, commitment and enthusiasm.

The private sector's role is crucial – also for its own future interest. Brusquely put: reducing poverty and ill-health is good for business.

The private sector plays a central role in the economic and social fabric of any country – but often more so in developing countries which suffer from under-developed and under-resourced public sectors. A single company can have better distribution networks and communication capacities than the government in the country it works. Through its workforce, some companies can reach whole communities or sectors of society. From their presence in a large numbers of countries, many companies possess a set of experience and a perspective that no national government or public sector entity can match.

In this new age, being global means being local world-wide. Companies which show commitment to the countries and communities they work with find that their standing among people – ranging from prime ministers to their own work force – improves. So does productivity. In the long term, markets are increased.

Some companies have already given higher priority to people's health, working within the context of global initiatives. They contribute to polio eradication through the Rotary Movement; to the elimination of leprosy through the Novartis and Sasakawa Foundations and to the control of river blindness through the Mectizan programme.

By joining partnerships - like Roll Back Malaria, GAVI and Stop TB - companies support the adoption of tried and tested strategies in communities affected by illness. They implement what works and focus on results. Take the example of ENI, the Italian petroleum company, which is working with government and civil society in Azerbaijan to reduce the risk of malaria infection and increasing people's access to effective treatment.

Many companies have now joined the movements to reduce the risk of HIV infection and to enable people living with HIV and AIDS to access care. The companies that have established the Global Business Council on HIV-AIDS have set a powerful example, encouraging individual action, collective advocacy and the sharing of best practice.

Much more could be done, if companies commit themselves to global health, work together, using best practices, to promote better health for all and help find ways to bridge the resource gap.

Your Royal Highness,

Healthy people – healthy planet. It works both ways. People influence the trends that destines the planet. The planet affects people. Our environment is a major determinant of health. Our societies, communities and individuals affect the environment.

The world has set major goals for improvements in health. The benefit will be extraordinary - not only for the poor half of the our world, but for all of us. Through its effect on reducing poverty, it will also improve the health of the planet. That, in the end, will benefit all the generations to come.

Thank you.