

Chapter 28

Business and Global Health in an Era of Globalization: Reflections on Public/Private Partnerships as a Cultural Innovation

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Globalization seems a lot like the weather at times: we all talk about it, but what can we do to change it? The facts of globalization are undeniable. The internet and mobile telecommunications have an increasing impact on the extent and pace of communications. Media networks bring events in Bangkok into living rooms and offices in Berlin and Boston and Bujumbura simultaneously. Trade barriers are coming down around the world. It's trite, but nonetheless true, to observe that as the world has become a smaller place, the opportunities for interaction and innovation with people half a world away have become a reality for many. Thomas Friedman writes of a small firm in the U.S. Midwest making insulated concrete building forms that used an imported machine from Korea to improve the usual process, found a customer in Kuwait to buy the new device, and provided them with an instruction brochure in Arabic produced by a local ad agency owned by the Winnebago Indian tribe in Nebraska. Friedman quotes an apt statement by

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Nandan Nilekani, CEO of Infosys, which underscores the implications of this new culture of globalization: “That society which has the least resistance to the uninterrupted flow of ideas, diversity, concepts and competitive signals wins. And the society that has the efficiencies to translate whatever can be done quickly – from idea to market – also wins.”¹ Of course, there is more to understanding the nature and impact of globalization than seeing its undoubted effects on modern commerce and the global economy. But this is inevitably where much of the debate has centered in recent years, together with investigation of the political ramifications of the “new world order.”²

We have yet to see as intense an exploration of the changing relationships between culture and globalization. As a former academic (trained in the history and sociology of science and technology) who has spent nearly twenty years working for multinational corporations, I’m keenly aware of the ways in which cultural traditions are mediated by institutional contexts and political and economic trends. Given this background (there can’t be many corporate executives who read Mary Douglas, Clifford Geertz, and Bruno Latour in graduate school!), I have a fairly eclectic view of “cultural innovation” as posed in the title of this essay. With that in mind, I offer some initial observations on globalization, cultural innovation and the role of business in one area of cultural practice, namely health and healthcare.

GLOBALIZATION AND HEALTH

In this age of globalization and growing insecurity, health is everybody’s business. The world faces continuing threats of war, poverty, environmental degradation, and disease. And with the impact of global transportation and communications networks, a SARS outbreak in China can reverberate rapidly from Canada to Cairo. As Gro Harlem Brundtland, former Director-General of the World Health Organization, has observed, “in an interconnected and interdependent world, bacteria and viruses travel almost as fast as e-mail messages and money flows.” So public health, like economics and defense before it, has now become an area of foreign policy focus.³

This is not just a concern for social scientists and politicians. Whether and how the world’s poor gain access to the benefits of globalization will be a key factor in defining the political, business, and economic climate for societies and for companies such as Merck in coming years.

Just as transnational challenges affect private citizens and governments in a variety of ways – some obvious, others less so – corporations too must wrestle

with the uncertainties of this new world, with new challenges, new actors, new governance mechanisms, and new institutions.⁴ Businesses need to engage with other stakeholders to play a role in addressing these challenges, contributing where they have unique expertise and resources.

Merck's global engagement as a research-based pharmaceutical company logically has health at its core. The private sector – multinationals as well as local companies working in developing countries and emerging markets – has a vital role to play in helping to scale up and strengthen the provision of healthcare products and services. We discover and develop new medicines and vaccines – and these medicines must also benefit the people of poor nations.

THE ROLE OF PUBLIC/PRIVATE PARTNERSHIPS

As with any other multinational enterprise, companies like Merck can also make contributions to health and development by building robust public/private partnerships to address the challenges that face developing countries. Working together, we can achieve more than any single organization or country can do on its own. Yet all too often public officials and others in civil society have neglected the resources and expertise that private sector companies can bring to bear in helping to find sustainable solutions to healthcare crises like HIV/AIDS.

Public/private partnerships (PPPs) are a cultural innovation that offers an important mechanism that really works to harness the complementary resources and expertise of the public and private sectors to achieve health goals.⁵ Michael Reich has offered a helpful working definition that clarifies what we mean by public/private partnership: (1) a collaboration between “at least one private for-profit organization with at least one not-for-profit organization”; (2) a “joint sharing of efforts and of benefits” among the core partners; and (3) a commitment to the “creation of social value (improved health), especially for disadvantaged populations.”⁶ PPPs can help to ensure that we can contribute to collective learning in addressing global health challenges more effectively. And because good health leads to wealth, which in turn leads to growth and economic productivity, communities are then better equipped to deal with other challenges like poverty and social inequality.

To make use of this institutional innovation, societies have begun to forge a new culture, based not on the idea that companies and governments are natural antagonists, but rather on the conviction that there are important

opportunities to achieve social good through cooperation and collaboration. As William H. Foege has written:

The marketplace is not the answer to all questions facing society. Likewise, the public sector cannot solve all social problems. But the combination of public and private efforts, when harnessed together, in an effort to achieve a clear and shared health objective, provides a powerful force that exceeds the sum of its separate efforts.⁷

On both the private and public sides of healthcare issues, attitudes have changed in recent years – largely, I believe, for the better.

MERCK'S APPROACH TO PUBLIC/PRIVATE PARTNERSHIPS IN HEALTH

Responding to global health challenges such as HIV/AIDS is not an option, but rather a strategic and humanitarian necessity: as former Merck Chairman Raymond V. Gilmartin has observed, "... for every global company, understanding and responding effectively to the tangle of economic, environmental and security problems that surround health are keys to future growth."⁸ Indeed, as the global community is coming to understand, successful outcomes in the fight against HIV/AIDS in developing countries will depend on robust multisectoral responses. We are helping to respond to the pressing social needs of HIV/AIDS and other diseases in ways that reinforce the efforts of governments and civil society.

Merck's partnership approach is founded upon the belief that pharmaceutical companies have an obligation to offer assistance when social, political, and economic conditions make it impossible for patients to receive lifesaving therapies for diseases such as HIV/AIDS, and that Merck and others should help remove the barriers that stand between patients and the therapies they need. Indeed, we believe that "improving global health is one of the single most important contributions we can make to economic development around the world." This commitment to social responsibility is central to the company's view of corporate citizenship – going beyond philanthropy to contribute in substantive and sustainable ways to adding broader social, economic, and environmental value.⁹

But while pharmaceutical companies have a critical role to play in improving public health and facilitating access to medicines, we cannot do it alone. Other stakeholders need to be involved in strengthening health system infrastructure, developing human resource capacity and providing sustainable

financing. Given the daunting challenges we face in global health, especially in developing countries, governments and other agencies involved in international assistance will make progress more quickly if they involve as many stakeholders as possible who have skills and resources to contribute to effective solutions.

In this respect, the private sector is often overlooked, yet companies (both multinationals active in developing countries, and the national business sectors as well) are actively contributing to health and to development in ways that go beyond their obvious roles, by fostering economic growth and productivity and complementing the efforts of donors, other sectors of civil society and developing countries themselves.¹⁰ In fact, engaging the private sector more fully, drawing on their specific areas of competence and their practical approach to addressing challenges, can be an important element of a successful strategy to deliver better results for public health and development. PPPs focused on addressing public health problems in a sustainable manner offer an important mechanism to contribute even more, by pooling resources and by enhancing collective learning.

Much of Merck's own work in the developing world is in building successful, practical, field-based PPPs, covering many aspects of health care.¹¹ For example, in 1987 Merck launched the first large-scale, comprehensive global health initiative of its kind, the MECTIZAN Donation Program (MDP), to donate the drug MECTIZAN (ivermectin) to treat onchocerciasis, or river blindness, in countries where the disease was endemic. Through a unique, multisectoral partnership, involving the WHO, the World Bank, and UNICEF, as well as ministries of health, non-governmental development organizations and local communities, Merck has donated more than 1.8 billion tablets of MECTIZAN, with more than 530 million treatments administered since 1987, and the program currently reaches more than 60 million people in Africa, Latin America and the Middle East (Yemen) each year.¹² Another ambitious and innovative public/private partnership in which Merck participates is the African Comprehensive HIV/AIDS Partnership in Botswana, a collaboration among the Government of Botswana, the Bill & Melinda Gates Foundation, and Merck. This particular PPP was designed to help Botswana transform its approach to the HIV epidemic across the spectrum of prevention, care, treatment, and support.¹³ Based on these experiences at Merck, it is clear that fostering PPPs among pharmaceutical firms and others, and promoting best practices in such collaborations, will in the long run be the most efficient means of realizing our common goal: measurable improvements in public health and health infrastructure in the developing world.

LESSONS LEARNED

Our experiences with PPPs have shown us that fighting the AIDS pandemic and eliminating river blindness as a public health problem require robust and creative partnerships, embracing all stakeholders with resources and expertise to contribute. Kofi Annan once observed that the world faces an increasing number of “problems without passports,” which will require all of our efforts to solve. Given these challenges, it is important to find common ground in defining and working together on sustainable solutions. Even if Merck develops great products for the developing world, without the right health system infrastructure or trained doctors and nurses to deliver care and treatment, those medicines and vaccines can’t do their jobs. With our knowledge base as a profit-making organization, there are ways in which we can apply our skills within public/private partnerships – working together with governments, other companies (both local and multinational), NGOs, and affected communities – to help developing countries achieve tangible results themselves. Such partnerships require careful planning, flexibility, and an openness to try new approaches, since they require bridging very different cultural environments. But traditional thinking no longer suffices – a generation of assistance to many developing nations has so far failed to meet the health goals of donors or recipients. There is growing awareness that the problems faced by developing countries are so daunting, and the financial resources required so substantial, that new ways of working are essential.

In a borderless world, the unexamined categorical distinction between the public and private sectors needs reassessment. Corporations, governments, and NGOs alike are beginning to recognize that a continued narrow focus on each institution’s internal goals will not enable us to meet global needs. Based upon our experiences, we have learned six major lessons that have made a difference in the success of our partnerships. These lessons embody practical advice for donors and developing countries aiming to increase access to basic services, such as health, in developing countries.

1. *High-level political commitment and engagement are critical.* Without political will on the part of national leadership, success is unlikely. This is clear from global experience with the HIV epidemic: the countries that have made significant progress – Botswana, Brazil, Senegal, Thailand, Uganda – could count on the unequivocal commitment of senior political leaders.
2. *Partnerships have a key role to play in marshaling the necessary resources and expertise.* It is tempting – and sounds efficient – to try to go it alone. But our

experience with the Merck MECTIZAN Donation Program for preventing river blindness shows that it is critical to work closely with NGOs that were already delivering care to remote villages and with government health officials to ensure that the program was effectively integrated with the national health system. We have learned similar lessons in Botswana, where the multisectoral approach coordinated by the government has mobilized community groups and other sectors of civil society to help in the fight against HIV/AIDS. These experiences have made it clear that involving more partners, bringing local ownership and complementary expertise, makes success more likely.

3. *Programs must be country-led to succeed for the long term.* Our collaboration in Botswana, for example, is fully integrated with the government's HIV/AIDS strategy, and includes regular reviews of all relevant public- and private-sector partners. Success is based on common objectives, mutual respect, clear shared targets and agreed metrics to monitor progress, with transparency for all stakeholders involved. Working in this way builds trust and confidence among the partners. But it's important to note that the agenda is Botswana's, not Merck's – this is fundamental to sustainable success. National cultures embedded in multinational organizations must give way to a more global culture embedded in cooperative endeavors.

4. *Building local capacity is also a critical element.* When we began some of our partnerships, we thought that the major challenges would relate to money and access to medicines. But in fact, public officials were more concerned with training physicians and nurses with the skills to treat and care for patients; with building hospitals, treatment centers and diagnostic facilities; with educating teachers and their students about healthy behaviors; and, in the case of HIV/AIDS, with finding the means to care for AIDS orphans. Investing in human resource capacity and health infrastructure were the main building blocks of success, not just money and medicines.

5. *A comprehensive approach is needed to make real headway against HIV/AIDS.* In the case of Botswana, the government's Masa antiretroviral treatment program, now one of the largest in Africa, is just one part of the complex mosaic of programs and interventions across the spectrum of prevention, care, treatment, and support. Without the availability of treatment, people are reluctant to go for testing. And there also is concern with stigma and discrimination against HIV-positive people, which makes the policy of routine testing pioneered by Botswana in 2004 all the more important. By routinizing HIV within the public health arena, citizens feel empowered to get tested, knowing that treatment and other post-test services are available to them. And as more and

more people know their status, the social stigma associated with HIV diminishes. And local, national, and international cultures are changing as these programs progress.

6. *Persistence pays off.* In establishing the government's ARV treatment program in Botswana, there was a relatively long period of uptake as the treatment centers were built and patients began to enroll in the program. But by being patient and remaining focused on working out the kinks in the system, the Masa program soon began to grow exponentially, and now adds some 2000 patients a month. Without the long-term focus and commitment to persevere – and the willingness to change in significant ways – Botswana would not have been able to make the progress it has achieved so far.

Taken together, these six elements provide a proven prescription for success in global health programs. Programs that bring complementary resources and expertise together as noted above, drawing on the ingenuity and commitment of all who have something to contribute, will lead to robust results. Progress is possible, with the right level of political commitment, the right policies, and the right partners – including the private sector.

THE POWER OF PARTNERSHIPS

Let me close by coming back to the theme of partnership. In another context, Secretary-General Annan has said, “No company and no government can take on the challenge of AIDS alone. What is needed is a new approach to public health – combining all available resources, public and private, and using all opportunities, local and global.”¹⁴

By working in this spirit – finding new approaches that work, building trust through cooperative action, embracing cultural differences and community values to find common ground, and harnessing the expertise and commitment of the private sector and other constituencies in civil society – together we can create innovative solutions to such global challenges as HIV/AIDS, environmental crisis, poverty, and social inequality. New cultural configurations continue to emerge as we make progress in the fight against HIV/AIDS and other global health challenges, and public/private partnerships have played a vital and positive role in these transformations. We all have a stake in seeing that these transformations and the cooperative culture sustaining them grow in the years ahead.

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3. Gro Harlem Brundtland, "Public health challenges in a globalizing world", *European Journal of Public Health* 15, no. 1 (2005), 3–5, at p. 3. See also Richard L. Harris and Melinda Seid (eds), *Globalization and Health*, International Studies in Sociology and Social Anthropology, 95 (Leiden, The Netherlands: Brill, 2004); and Kelley Lee (ed.), *Health Impacts of Globalization: Towards Global Governance* (London: Palgrave Macmillan, 2003).
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5. A good introduction is Michael Reich (ed.), *Public-Private Partnerships for Public Health* (Cambridge, MA: Harvard Center for Population and Development Studies, 2002).
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