



# Free Trade or Fair Trade?

## Holding Corporations Accountable

*"Global economic forces and gross inequities in consumption levels leave vast numbers of humanity without the basics for a decent quality of life while enriching the privileged minority far beyond their needs."*

The Rev. Dr. Konrad Raiser, General Secretary, World Council of Churches

There is growing concern that international trade agreements will erode the ability of nations to shape their own policies and destinations so that major transnational corporations can increase their profits. This fear was realized in Canada, following the signing of the North American Free Trade Agreement (NAFTA). In its wake, representatives of Health and Welfare Canada advised that the International Code of Marketing of Breastmilk Substitutes was "... superceded by the FTA with the US." The Code was perceived to be a "...restriction on the rights of formula manufacturers to compete freely in the marketplace." In response, INFACT Canada was told to stop lobbying for Code implementation.

The Canadian experience is just one glaring example of how trade agreements can become political tools to undermine our ability to protect optimal infant feeding and promote breastfeeding, despite the fact that these agreements contain provisions to protect human health and the environment. Moreover, breastmilk is not a commodity - **It is the normal way to feed babies** - and therefore should not be viewed as competition to formula manufacturers.

Conversely, infant formula is a commodity and has been scientifically proven to pose a threat to the health of infants and young children, and therefore is subject to trade and marketing restrictions and the provisions of the International Code of Marketing of Breastmilk Substitutes and Resolutions of the World Health Assembly.

On a global scale, we need to send a clear message to our political leaders that **trade agreements should not:**

- Undermine a nation's Code implementation or national laws regulating infant feeding products and food labelling
- Weaken a government's ability to develop and enforce national infant feeding policies, in matters such as breastfeeding, indigenous foods, genetically modified food ingredients, labelling of infant foods and food safety standards
- Put the most vulnerable members of society - babies and young children - at risk for the sake of corporate profits.

### Inappropriate Marketing

*Every day some 3,000 to 4,000 infants die because they are denied access to adequate breast milk.*

James Grant, former Executive Director of UNICEF

Despite the fact that the International Code of Marketing of Breastmilk Substitutes was endorsed by the World Health Organization more than two decades ago, manufacturers continue their blatant and misleading promotion of infant formula. Breastmilk substitutes are promoted as equivalent in nutritional value to mother's milk, and labels boast products that are "easier to digest", "endorsed by nutrition experts", and "closer than ever to breastmilk." Free samples are given to pregnant women and new mothers at medical clinics and product information and coupons are routinely mailed to mothers at the time of birth.

These marketing practices have particularly devastating effects in developing countries, where formula companies routinely provide free milk to maternity hospitals to

increase the number of newborn babies that are bottle-fed. This can have a destructive impact on the health of babies and their families in a number of ways:

- When newborn babies are given bottles, they are less able to suckle at the breast. This can lead to breastfeeding failure. The baby is then dependent on commercial formula milks.
- When mother and baby return home, the milk is no longer free. At home parents are forced to buy more milk, which in some countries can cost more than 50% of the family income.
- The expense of baby milks affects all members of the family, as less money is available to feed other family members.
- Because formulas are so expensive, they may be over-diluted or the baby may not receive enough food, leading to malnutrition.
- In developing countries, a bottle-fed child is up to 25 times more likely to die as a result of diarrhoea than a breastfed child.
- The World Health Organization (WHO) estimates that 1.5 million infants die around the world every year because they are not breastfed.

## Nestlé Boycott

The Nestlé Boycott is one of the most successful consumer campaigns ever staged. Nestlé continues to be targeted because of its flagrant promotion of artificial infant feeding. Nestlé is the leader of the more than \$ 12 billion a year global baby food market. Nestlé routinely:

- **Provides information to mothers** that promotes artificial infant feeding and discourages breastfeeding.
- **Donates free samples to pregnant women and new mothers and free supplies** to health facilities to encourage artificial infant feeding.
- **Gives inducements** to health workers for promoting its products.
- **Does not provide clear warnings** on labels of the benefits of breastfeeding and dangers of artificial feeding. In some cases the labels are in a language that mothers are unlikely to be able to read or understand.

Because of Nestlé's continued disregard for the International Code, the company is subject to an ongoing consumer boycott of its products in over 20 countries. The boycott will continue until Nestlé is in full compliance with the International Code and subsequent World Health Assembly Resolutions in policy and practice. For more information on the boycott, visit **[www.babymilkaction.org](http://www.babymilkaction.org)**