

The global south has free trade to thank for its obesity and diabetes epidemic

Junk food companies seeking growth markets are flooding poor countries with cheap, unhealthy food. And the consequences are devastating

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You wouldn't think that free-trade deals could lead to a diabetes and obesity epidemic, but they have. Today, many countries in the global south are seeing an explosion of these afflictions - all because their governments welcomed in transnational food companies looking for new "growth markets" for poor quality, heavily processed or just plain junk food.

For big conglomerates to increase their profits, they need to develop and sell products aimed at hundreds of millions of the world's poor. Many of these people and communities still eat food that they produce themselves, or buy from informal markets that sell local produce. These local food systems and circuits are their livelihood for untold numbers of people.

To reach these potential consumers, large food corporations are infiltrating, inundating and taking over traditional food distribution channels around the world, and replacing local foods with junk, often with the direct support of local governments.

Free trade and investment agreements have been critical to their success. The case of Mexico provides a stark picture of the consequences. Over the past two decades, the government of Mexico has signed more than a dozen free trade agreements and nearly 30 investment treaties that have opened up the countryside and the retail sector to transnational companies, putting Mexico's food system up for grabs.

The North America Free Trade Agreement, signed in 1993, triggered an immediate surge of direct investment from the US into Mexico's food processing industry. Between 1999 and 2004, three-quarters of the country's foreign investment went into the production of processed foods. At the same time, sales of processed foods went up by 5-10% per year.

Mexico is now one of the ten biggest producers of processed food in the world, with total sales reaching \$124bn in 2012. The corporations running this business - such as PepsiCo, Nestlé, Unilever and Danone - made \$28bn in profits from these sales, \$9bn more than they made in Brazil, Latin America's largest economy.

Mexico offers the global food industry not only low operation costs, but a network of trade agreements that provide access to big markets such as the European Union and the US. At the same time, these corporations are investing heavily in taking over local distribution. The number of supermarkets, discount chains and convenience stores exploded: in 1997, their numbers went from 700 to 3,850; there were 5,730 such stores in 2004. Today, Oxxo, a convenience store chain owned by a unit of Coca-Cola Mexico, is opening an average of three stores a day, and aims to inaugurate its 14,000th store in Mexico this year.

One of the main effects of all this has been a radical change in people's diets and a disproportionate increase in malnutrition, obesity and diabetes. Mexico's National Institute for Public Health reports that, between 1988 and 2012, the proportion of overweight women between the ages of 20 and 49 increased from 25% to 35.5%; the number of obese women in that age group increased from 9.5% to 37.5%. A staggering 29% of Mexican children between the ages of five and 11 were found to be overweight, as were 35% of the youngsters between 11 and 19, while one in 10 school age children suffers from anaemia.

The level of diabetes is equally troubling. The Mexican Diabetes Federation says there are up to 10 million people who suffer from diabetes in Mexico; around two million of them are unaware that they have the disease. This means that more than 7% of the Mexican population has diabetes. The incidence rises to 21% for people between the ages of 65 and 74. In 2012, Mexico ranked sixth in the world for diabetes deaths and specialists predict that there will be 11.9 million Mexicans with diabetes by 2025.

Obesity and diabetes function together, interacting so strongly that a new term has emerged: "diabesity". Who can we thank for this? The transnational food industry supported by governments that share their interests.

After visiting the country in 2012, the UN Special Rapporteur on the Right to Food got it right when he said: "The overweight and obesity emergency that Mexico is facing could have been avoided, or largely mitigated, if the health concerns linked to shifting diets had been integrated into the design of the country's trade policies". Health is just as important to development as trade; countries shouldn't pursue one at the expense of another.

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