

BULLETIN

Federal government seeks privatization of health care, education

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by MURRAY DOBBIN

The arcane world of trade and investment agreements is not known for its poetic language, but there are exceptions. Promoters of the World Trade Organization (WTO) compare membership in the organization to Ulysses tying himself to the mast of his ship so as not to succumb to the call of the Sirens.

The analogy suggests that, by voluntarily constraining themselves with multilateral trade and investment deals, politicians can resist their citizens' siren calls to maintain or create government programs. As the national ship founders on the rocks of privatization and foreign investment, politicians can then say it isn't their fault - the WTO made them do it.

The new minister of trade, Pierre Pettigrew, says he believes in "humanizing" globalization. If that's true, let's hope he is a quick study, because he takes over his job just as trade officials around the world are opening up public services to massive privatization through the next round of WTO negotiations.

Critics of the failed Multilateral Agreement on Investment (MAI) - the most blatant effort so far to hobble democratic government - have been trying to determine where the MAI will show up next. They now know it is being primed to resurface under the General Agreement on Trade in Services ... the GATS.

The WTO describes the GATS as "the world's finest multilateral agreement on investment" with "legally enforceable rights to trade in all services" and the right to "set up a commercial presence in the export market."

The GATS until now has received little public attention. First, it is what is known as a "bottom-up" agreement, meaning that only those things that governments voluntarily put into it are covered. (The MAI was top-down: everything was covered unless you could negotiate an exemption.) Secondly, all government services were excluded, so that health care, education, social services, the environment, and government procurement were not open to private corporate investment.

That is about to end - if the US, the European Union (EU) and Canada have their way. Yes, Canada. Our government, through Industry Canada and External Affairs, has been actively promoting the corporatization of Canada's health care and other public services.

In an Industry Canada document entitled "Constraints to the Export of Canadian Health Care Services," our officials argue that there "must be increased cooperation between the private sector and the public sector, including Canada's publicly-funded health care institutions".

Trade officials want access to foreign markets for private Canadian health care firms. But in the quid pro quo of international negotiations, you do not gain access to foreign markets unless you are willing to let foreign

corporations into your own.

Last Spring, US trade representative Charlene Barshevsy made the US position on the GATS clear: "Our service agenda covers a vast range of industries [including] health, education, environmental protection..." The European Commission's policy paper states that no services should be excluded from the GATS. Their negotiator suggests education and health, in particular, are "ripe for liberalization."

This powerful trade imperative is driven by the relentless pressure of the world's largest corporations to open up new and potentially lucrative areas of investment.

The US Coalition on Service Industries is just one powerful corporate lobby and includes the American health giant Aetna. In its position paper to the US government, the Coalition states: "We believe we can make much progress in the [GATS] negotiations to allow the opportunity for US businesses to expand into foreign health care markets."

Public education is the other big target for privatization. The WTO Services Division is conducting a world-wide investigation to identify public policies that "discriminate" against foreign education providers.

A private organization, Global Alliance for Transnational Education (GATE) was contracted by the WTO to ferret out "restrictive practices" by governments. In its survey, GATE encourages citizens to turn in their own governments, assuring them that "restrictive practice is probably epidemic globally, so disclosure does not constitute treason!"

The decisions about what Canada will and will not "put on the table" in the upcoming negotiations on services will have a profound effect on our public services and our sovereignty. Are Pettigrew and the Prime Minister in support of opening up our public health care and education systems to corporate ownership?

There is good reason, unfortunately, to believe that the answer is "yes" - that our political leaders have already tied themselves to the mast of even-more-liberalized trade and privatization.

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What you can do - see [October/November issue](#) (Vol.20 No.3)

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