

UNCTAD-WHO Joint Publication
International Trade in Health Services
A Development Perspective
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FOREWORD

It is with pride and pleasure that we, the Executive Heads of UNCTAD and of WHO, preface this joint publication. For the first time, the United Nations body dealing with development through trade and the Organization devoted to achieving the highest level of health for everyone have collaborated on an issue that concerns them both: international trade in health services.

This activity holds potential for developing countries, yet presents them with considerable challenges. Will trade in health services prove to be a source of much-needed revenues for developing countries, or will commercial interests take precedence over the protection of people's health? This is the key question that our two organizations have explored.

Our cooperation in this area has lasted more than four years. An initial study had been carried out in countries of Latin America and the Caribbean by staff of PAHO/WHO and of UNCTAD in 1994. After UNCTAD IX - when the Commission on Trade in Goods and Services, and Commodities had to select issues to be discussed through the newly established mechanism of the Expert Meetings - trade in health services was the first subject chosen.

This judicious choice has provided the opportunity for UNCTAD to analyse the commercial potential of the health sector and for WHO, which supported UNCTAD in identifying and examining the most relevant issues to be addressed at the Expert Meeting, to put forward the public health viewpoint. Many countries are adopting export strategies for health services and some are liberalizing access to their own markets. A number of developing countries are exploiting their comparative advantages in order to boost their export earnings while upgrading their health services. However, the limits to competition that stem from social, cultural or developmental considerations are more acute in health services - where the lives of individuals and the well-being of the population in general are at stake - than in other domains.

Nevertheless, our examination of this subject has demonstrated that the objectives of raising living standards through trade and of promoting and protecting health are not incompatible. We are convinced that international trade

in health services and public health action can be mutually supportive. Additional revenues from export earnings can be used to improve both public health services and other health determinants such as education, sanitation and housing. In turn, public health action, in particular national regulatory frameworks, makes a quantifiable contribution to improving a country's export potential. But above all, our objectives converge in our concern that everyone should benefit equally from the gains from trade, that commercial activities should contribute to greater well-being and higher living standards for everyone, and that the needs of the poor and the marginalized should not be overlooked in the process.

This compilation of papers - issuing from the UNCTAD Expert Meeting in June 1997 - provides an initial insight into this new and promising subject; we hope it will encourage further research into an area where so much still needs to be explored.

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