**PETRA Network Briefing Paper**

**Trade, COVID-19 and health inequalities**

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This briefing paper examines some of the relationships between international trade, COVID-19, and health inequalities in the United Kingdom. It is in 5 parts. In the first section, I raise the central question: ‘*How should we think about trade-related health risks in the context of COVID-19 and of intensifying health inequalities in the UK?’.* In section 2, I focus on the literature at the intersection of trade and health inequalities. Here I argue that in general, there is limited evidence on how different social groups in the UK have been, or will be, differentially affected by trade. I highlight some studies that offer starting points for thinking about these issues and suggest that the government’s new anti-obesity strategy might offer a window of opportunity for securing ‘healthy trade policy’. In section three, I argue that future work considering the health impact of trade policies must account for inequalities that have been exacerbated by COVID-19 and that not accounting for these inequalities risks jeopardizing the UK’s economic recovery. In section 4, I consider some of the main areas for future research before concluding in the fifth and final section that, like COVID-19, the health effects of international trade are predictable, politically determined, outcomes.

**1. COVID-19 and the post-Brexit trading environment: The ‘Perfect Storm’**

The COVID-19 pandemic is playing out against a backdrop of inequalities both in non-communicable diseases (NCDs) and in the social determinants of health. This setting has been described as a *‘perfect storm’* for the inequalities that are occurring, not just in COVID-19 infection and death rates, but also in terms of the economic and social consequences of the pandemic.1

Already burdened by shorter lives and a greater share of preexisting health conditions, the most disadvantaged in the UK are now suffering the most during the COVID crisis.1 For example, mortality rates in deprived neighborhoods across the UK are higher than those of more affluent neighborhoods.2 Deaths from COVID-19 are almost twice as high among Black, Asian and minority ethnic groups.3 Precarious workers in particular, appear to be bearing much of the brunt of the crisis.4

Others have identified additional fronts in this ‘perfect storm’, such as Brexit and the new trading environment of the UK.5 After nearly four decades of the EU handling the UK’s trade policy, the country now has autonomy over its trade policy decision-making. One of the main trade policy priorities of the UK government is concluding an agreement with the US. Another is joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), an existing free trade agreement that links 11 economies around the Pacific Rim. A number of health risks have been associated with a potential UK-US agreement, the CPTPP, and trade in general.6–10 A central question then is:

**How should we think about trade-related health risks in the context of COVID-19 and of intensifying health inequalities in the UK?**

There are a number of ways of examining this question. In the remaining sections of the paper, I follow strategy to speak specifically to five questions posed by PETRA:

1. How have trade policies and trade & investment agreements affected the health gap in the UK?
2. How might new trade policies and trade & investment agreements address geographic disparities in life expectancy?
3. How will health inequalities impact the UK’s ability to recover economically from COVID-19?
4. How can health impact assessments be incorporated into the formulation of trade & investment agreements to help address non-communicable diseases?
5. What research and development gaps are there in this area?

**2. Health inequalities and international trade**

Health inequalities are best understood with reference to a social determinants of health lens. Trade can influence key social determinants, related for example, to the consumption of tobacco, alcohol, and unhealthy foods, and more fundamental determinants of health11, such as income, employment, inequality, poverty and economic insecurity.6,12 Research on the link between trade and health has paid considerable attention to issues of social justice and equity. However, few studies have explicitly expressed how different social groups are differentially affected by trade policies and agreements. 13–18

In considering health inequalities within the UK, scholars working under a political economy of health approach have traced health inequalities back to a number of political events and decisions, such as the election of Margaret Thatcher19, deindustrialisation20,21, the 2007 Great Recession22, and austerity policies.23,24 There are many conceptual links between this body of work and trade, not least the underlying driving force of neoliberalism. However, the question of how trade policies and agreements have specifically affected the health gap in the UK (Question 1) has been subjected to limited conceptual and empirical attention. Some notable work in this area has linked policies of the World Trade Organization to inequalities in healthcare provision in the UK25, and commercial determinants of health26,27 to inequalities in NCDs.28–30

There has been little work on how trade policies have impacted fundamental determinants of health inequalities11 in the UK, like income and employment. Looking at US data, by contrast, researchers have linked trade-induced losses in earnings and employment levels to negative physical and mental health outcomes.31,32

How *new* trade policies and agreements might impact health inequalities going forward, such as geographic disparities in life expectancy (Question 2), is a question gaining traction in the post-Brexit policy context. Scholarship in this area, for example, has focused on UK trade policy governance. Here van Schalkwyk and colleagues find that UK trade policy governance is far from robust, with significant negative implications for health and social justice.33 Others have focused on how particular agreements, or the post-Brexit trading environment in general, might affect health in the UK, and have found negative impacts for NHS drug prices34, the healthcare system more generally35, and non-communicable diseases specifically10. Precisely how different social groups will be affected however, has not been a central consideration of this emerging body of work.

One exception is a study undertaken by Green and colleagues.36 Using a health impact assessment (HIA) approach, the authors assessed the potential health impact of trade agreements in the post-Brexit policy context and found numerous impacts for particularly vulnerable groups such as the unemployed and low-educated workers.

This work, and other HIAs of trade agreements37–40, offer good starting points for thinking about how this research tool can be incorporated into the formulation of trade & investment agreements to help address NCDs (Question 4). A robust HIA can articulate health-related concerns for policy-relevant actors, develop suggestions for the formulation of policy, and provide evidence for health advocacy actors.38 Without high-level commitment from the government to undertake HIAs before trade agreements are signed, however, attention to NCDs is likely to remain on the periphery of trade negotiations.41

Under what conditions might governments make this commitment? Scholars focused on this issue in the Australian context have suggested that high-level government policies aimed at NCDs can act as windows of opportunity for at least securing greater coherence between trade and health policy actors.42 In the UK context, the government’s new anti-obesity strategy43, might offer a window of opportunity for securing a commitment to developing trade policy that is aligned with addressing NCDs. In an alternative scenario, where such a commitment is not made or adhered to, this new obesity strategy could create a series of trade-related political risks for the government.44

The issue of trade and health policy coherence is well-trodden ground in the area of trade and health research 45–48 and considering this issue will be central in thinking further about how HIAs can be incorporated into trade agreements to address NCDs. There is an emerging body of work for example, that seeks to understand what generates attention to health in trade policy making in the Australian context.49–52 This work offers methodological inspiration for studies that would increase our understanding of these issues in the UK. Of course, also relevant to this question is the large body of work which links trade to NCDs46,53–56, including work which ties a potential UK-US agreement to diminished opportunities for the management of NCDs.10

**3. Accounting for COVID-19 and the economic case for ‘healthy trade policies’**

Future work considering the health impact of trade policies must also account for health and social inequalities that have been exacerbated by the COVID-19 pandemic, as trade policy decisions might intensify these effects. Put simply, disadvantaged areas and disadvantaged population groups are at risk of accumulating even greater burdens. For example, it is now clear that places that entered the pandemic with weaker economies are both experiencing greater health burdens and greater economic consequences of the COVID crisis.57 One reason trade policy might exacerbate these consequences is because trade agreements can have large and negative effects on specific sectors/industries, even while aggregate effects are typically small and positive. The recently announced trade agreement between the UK and Australia for example, is estimated to generate very small economic gains for the UK economy overall (around a 0.02% increase for GDP), while placing agricultural producers at potential risk of lost revenues.58 Trade agreements can thus exacerbate existing inequalities when sectors in already disadvantaged communities are negatively impacted.

An exacerbation of social and health inequalities runs the risk of further affecting the UK’s ability to recover economically from COVID-19 (Question 3). It is already estimated, for example, that COVID-related health inequalities between the North and other regions of England could cost the UK economy over 11 billion in lost productivity.57

Safeguarding health in trade agreements will also be essential to economic recovery. A US-UK agreement for example, could contain provisions which would decrease the amount of public finances available for recovery by: 1) increasing the cost of drugs to the NHS, 2) allowing private investors to bring financial claims against states, and 3) creating a policy environment ill-fitted for the management of costly NCDs.10 The UK is also likely to be bound to similar provisions if it joins the CPTPP.7,8

**4. Research Gaps**

On balance, there are still major research gaps in the literature focused on trade and health inequalities (Question 5). Literature focused on health inequality in the UK has considered a number of macro-level and political determinants of health, however, the role of trade in shaping unequal distributions of health has received significantly less attention. Particularly little attention has been focused on trade and fundamental determinants of health like, income and employment. Further, while recent scholarship has begun to assess potential health impacts of the UK’s new trading environment, so far, most of this work examines health in more general terms, and does not explicitly examine differential impacts among different social groups. This remains an important area for future research. Future work considering the health impact of UK trade policies must also account for health and social inequalities that have been exacerbated by the COVID-19 pandemic and how new trade policies might affect public finances that could otherwise be available for economic recovery.

**5. Conclusion**

Is the UK in the midst of a perfect storm for health inequalities? Between COVID-19 and the post-Brexit policy context, the UK is confronting a confluence of several complex, health-defining, situations. While the perfect storm metaphor nicely captures this idea, it also perhaps invokes the idea that these circumstances are unpredictable, naturally-produced or anomalous events. They are not.1

How should we think about trade-related health risks in the context of COVID-19 and intensifying health inequalities in the UK? In short, as *predictable* possibilities that can materialize through the actions or inactions of political actors.

This briefing paper has argued that there is limited evidence on how different social groups in the UK have been, or will be, differentially affected by trade. However, it has also pointed to a body of work that demonstrates a well-evidenced relationship between trade and health and shown how health can be accounted for in future trade policies, both in ways that avoid exacerbating current health inequalities and that safeguard economic recovery.

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