WN *Big Food Watch*

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BIG FOOD WATCH

Editor's note

Big Food Watch will from now on be a regular series in *WN*. Convenor is *WN* Assistant Editor Fabio Gomes. He was a member of the programme committee for the *Rio2012* conference held in April 2012, and is the food and nutrition policy analyst at INCA, Brazil's national cancer institute. He is an experienced public health nutritionist from the global South, already networked with civil society and public interest leaders and organisations worldwide.

Like all contributions to *WN, Big Food Watch* is and will express the views of its authors, and should not be taken to be the policy or view of the World Public Health Nutrition Association (the Association) except when this is explicitly stated.

Brazil is a good centre for this work. The country is now a participatory democracy whose public officials work in partnership with civil society organisations in framing and operating policies and programmes designed to prevent and control all forms of malnutrition. Brazil is also an 'emerging market economy'. Like other countries in the global South it has a growing middle class, and like them its food systems, and patterns of diet and nutrition, health and disease, are transforming as a result of the penetration of international food product manufacturers, retailers and 'fast food' chains. The result, often welcomed as a sign of 'development', impacts on agriculture, land use, water resources, rural and urban employment, food culture, and family life. A specific effect is to displace freshly prepared meals with ready-to-consume processed products.

The task of *Big Food Watch* is to do as its title implies – to observe the activities in particular of transnational food and drink product corporations. Commercial priorities often conflict with those of public health, but the ethics of corporations vary. *Big Food Watch* will give credit when this is deserved. Its policy, as shown with the Nestlé *Creating Shared Value* initiative in this issue of *WN*, is to display and describe corporate activity, so readers can judge for themselves. *WN* will welcome responses. Much corporate activity takes place behind closed doors or in the shadows, unseen by policy-makers, opinion-formers, other professionals, or citizens. *Big Food Watch* will try to open the doors and let in the light.



Big Food Watch

Nestlé 'Creating Shared Value'

Access 2004 IBFAN Nestle Breaking the Rules, Stretching the Rules here
Access June 2010 American Journal of Public Health paper here
Access November 2010 news story on Janet Voûte joins Nestlé here
Access January 2011 news story on Nestlé nutrition here
Access March 2011 news story on Ann Veneman joins Nestlé here
Access September 2011 news story on Nestlé Nature's Fix here
Access 2012 Nestlé Creating Shared Value report here
Access April 2013 GIFA-IBFAN statement on CSV at Nestlé AGM here





The 2012 Nestlé 'Creating Shared Value' (CSV) report, and a CSV conference with Nestlé chairman Peter Brabeck-Letmathe, pictured here second from left

Big Food Watch convenor Fabio Gomes reports:

We begin *Big Food Watch* with the biggest food and drink product corporation of them all: Nestlé, and its 'Creating Shared Value' work, part of its 'Corporate Social Responsibility' strategy. A context for this are two letters carried in this issue of *WN* (1,2). Both are concerned that transnational Big Food and Big Snack corporations have penetrated public health and nutrition policy-making at the highest level, effectively usurping the responsibility of elected politicians and public servants. Both oppose transnational corporations that position themselves as part of the solution to infant and young child morbidity and mortality in Africa and Asia. They point to the general failure of many governments to fulfil their primary responsibility, which is to govern. They see this as part of a process that is not well known, that is against the public interest, and that needs to be exposed. We agree. Hence *Big Food Watch*.



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Digest 1

Nestlé

See Wikipedia entry. The main business of Nestlé is in infant formula and baby food, coffee, milk-based products, ready-to-consume breakfast cereals, confectionery, ice-cream, pet food, and bottled water. It is the biggest food corporation in the world. In 2011 it was identified by *Fortune* magazine as the most profitable company in the world. Nestlé has over 325,000 employees and operates 450 factories in 86 countries. It has 8,000 branded products of which 29 turn over more than $US 1 billion a year. In 2012 its annual turnover was around $US 100 billion and its profits over $US 10 billion. Some recent initiatives in hiring UN executives (4,5), developing food products as medicine (6), and buying up US water supplies (7) have been featured on the Association's home page news section.
With thanks to Wikipedia as an independent source (Wiki text following is shortened):

The annual salary and other income of its two most senior executives, Peter Brabeck-Letmathe and Paul Bulcke, are reported at around $US 10 million a year, relatively modest rewards compared with those of the most senior executives in banking and energy transnational corporations. The annual reward of directors at a lower level, such as Ann Veneman, previously of UNICEF, and Janet Voûte, previously of the World Heart Federation and the World Health Organization, are believed to be around $US 1 million. (If these estimates are not accurate we will publish corrections)

Issues

Baby formula. Nestlé continues to be accused of being in violation of a 1981 World Health Organization code that regulates the advertising of breastmilk substitutes (8,9). Groups such as the International Baby Food Action Network (IBFAN) and Save the Children claim that the promotion of infant formula over breastfeeding has led to health problems and deaths among infants in less economically developed countries. Nestlé's policy states that breastmilk is the best food for infants, and that women who cannot or choose not to breast feed need an alternative to ensure that their babies are getting the nutrition they need.

Bottled water. According to a 2012 documentary *Bottled Life,* buying a truckload of water in the United States costs Nestlé $US 10 which is then sold for $US 50,000. According to Nestlé, the price of a bottle of water is similar to that of other packaged beverages, as it incurs similar costs linked to production, quality assurance, bottling, storage and distribution. In the 2005 documentary *We Feed The World*, Peter Brabeck-Letmathe, then the CEO of Nestlé, said that the idea of water as a basic human right was 'extreme' and that he believed water should have value like any foodstuff. He also affirmed that Nestlé was part of the solution to world poverty by employing so many people, while also showing that Nestle factory operations are mostly done by robots, with few workers.



Nestlé CEO Paul Bulcke with the Nestle CSV award. Nestlé and sustainable dairy farming. A celebration of the life and work of Peter Brabeck-Letmathe

Fabio Gomes continues: Of the two letters published in this issue of *WN*, one ends 'Big Food and Big Snack depend for their profits on ultra-processed products that cause overweight and obesity, and lead lines of some of these corporations are baby food products, also ultra-processed, that are a cause of malnutrition and increase the risk of dangerous and often deadly infections. Overweight and underweight are public health crises in part caused by the 'private sector', which is being seen as an answer to the problem to which it has contributed' (1).

The other letter states: 'In response to pressure that might best be described as "political", some of the most sophisticated, independent and critical non-government organisations (NGOs) are deep in bed with transnational and other big corporations. The specialists working in these NGOs are worried, clear on the problems arising from conflicts of interest, but have not been able to avoid this process' (2).

I declare an interest as co-author of a paper in *The American Journal of Public Health* (3). In it we say: 'The evidence that food and drink transnationals are now becoming even a small part of the public health solution – rather than just a large part of the problem – is anecdotal, weak, and conflicted… Once upon a time Coca-Cola promoted its main brand with a global advertising campaign whose theme song was "We'd Like to Teach the World to Sing." PepsiCo is now the biggest manufacturer of globally branded processed snack foods. With other transnational companies, their current mission is to teach the world to snack. This is commercially ingenious but not part of the solution to any global public health problem'.

I am not 'anti-industry' (whatever that may mean), and I enjoy the privileges and pleasures made possible by private as well as public enterprise. Nor are corporations uniform or monolithic. But in our field of food and nutrition, the private corporate drive for more profit and power is in conflict with public health, public goods, and the public interest. If as a result of sustained investigation, *Big Food Watch* identifies examples of good commercial practice in the public interest, we will celebrate them.



BIG FOOD WATCH

Example 1

Nestlé 'Creating Shared Value'

The Big Food Watch team writes: Here is an audacious initiative by the biggest Big Food corporation of them all: Nestlé, the leading manufacturer of baby formula in the world, also a leading manufacturer of products for weanlings and young children.

Nestlé's power has much to do with the fact that its branded products are formulated for all ages throughout the entire human lifespan. All over the world, including Africa and Asia, the first food after birth and the last food before death, will increasingly be Nestlé products. The pictures and the quoted text immediately below come from the Nestlé website and the 2012 Nestlé report on *Creating Shared Value* (10). The comments in square brackets are ours.

Creating Shared Value is an activity within the more general *Corporate Social Responsibility* strategy, widely criticised as a diversionary tactic or a damage limitation exercise. The general CSV idea is to achieve what is known in the trade and now even in policy-making circles as a 'win-win situation' – in this case, enriching the wealth of shareholders while at the same time enriching the health of consumers.

As stated in the report by Nestlé chairman Peter Brabeck-Letmathe and chief executive Paul Bulcke: 'We have set our actions during 2012 in the context of five key nutrition challenges: advancing science to address global nutrition issues; helping mothers give children the best start in life; helping families to meet their nutritional needs; helping to meet the nutritional needs of people in emerging markets; and helping to meet the needs of older people and those with other specific nutritional requirements'.

Here is our example, with the words and with the picture used in the CSV report:



'Addressing micronutrient deficiencies: A Nigerian family enjoys Golden Morn affordable breakfast cereal, fortified with vitamin A'.

'In many parts of the world' [says the text], 'and particularly in emerging markets' [for foreign corporations, that is], 'people are moving away from cooking' [largely because of the aggressive strategies of these corporations]. 'Increasing numbers are switching from diets containing fresh ingredients to those including more processed, snack and out-of-home choices' [indeed they are – see the picture]. 'Consequently, knowledge of what constitutes good food and good cooking is being eroded' [Indeed it is]. 'We believe this may be a driver for increasing levels of obesity and that people need to eat more mindfully' [Right!].

'The Food and Agriculture Organization of the United Nations has stated that: "a growing number of developing countries must shoulder a 'double burden' of malnutrition: the persistence of under-nutrition, especially among children, along with a rise in overweight, obesity and diet-related chronic diseases".' ['Must' is an odd word, but indeed so].

'Nestlé is determined to play a part in addressing this 'double burden' and the problems related to it – from endemic anaemia amongst under-nourished preschool children and pregnant women at one extreme, to chronic disease related to obesity, including heart disease and diabetes at the other. We can help address the double burden of malnutrition through the products we provide, the advice we offer and our involvement in nutrition-related initiatives with other organisations. We can help encourage people to eat more mindfully and promote the preparation and consumption of fresh, healthy foods'.

[This as you see above, is illustrated with a picture of what is apparently an upper middle-class family – see the bookcase – posed with a ready-to-consume Nestlé breakfast cereal! Presumably 'affordable' in the caption mean by generally well-fed families like them. This *Golden Morn* is corn (maize) flour, 'fortified' with synthetic vitamin A and iron which are both contained in natural balanced forms in plenty of actual fresh foods.

[Elsewhere on the Nestlé home page site – see below – is a picture of a happy smiling Nigerian couple posed in front of what we assume is their own nicely painted mud hut, displaying and sitting on the maize meal they are apparently producing to be made into *Golden Morn* and other Nestlé ready-to-consume products for urban consumers. It is of course impoverished communities who are most likely to be short of vitamin A and iron. Could this couple – assuming they are for real, and not models – afford *Golden Morn,* and if they could, would this be the best use of their money? The Nestlé websites do not, as far as we can see, respond to questions like these. In Africa the markets that are emerging are those least likely to benefit from product fortification].



'Thousands of farmers in Nigeria supply the grain for a range of Nestlé ready-to-eat cereals designed to help address two of the country's most prevalent micronutrient deficiencies'.

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Status

Conflicting or competing interests: none. Readers may make use of the material here if acknowledgement is given to the Association. Please cite as: Gomes F. Nestlé 'Creating shared value'. [Big Food Watch] *World Nutrition* August-September 2013, 4,7, 466-472. Obtainable at www.wphna.org/worldnutrition/ Contributions to *World Nutrition* are the responsibility of their authors. They should not be taken to be the view or policy of the World Public Health Nutrition Association (the Association) or of any of its affiliated or associated bodies, unless this is explicitly stated.

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