



Church of the Brethren General Board

Infant Formula Concerns

October 1983

History

The controversial Nestlé boycott began as a result of the discovery that in many developing nations infants were malnourished or dying because their mothers could not properly use commercial infant formulas. Often this was because clean water was not available for mixing the formula, or the mothers did not have kitchen facilities for sterilizing and preparing bottles, or because they could not afford the price of formula, and diluted the formula excessively. In any event, once the mother had given up breastfeeding for even a short time she could not return to it because her body naturally stopped lactation. Thus, mothers who began feeding infant formula were “hooked,” forced by circumstances to continue. But despite reports of problems such as these, infant formula manufacturers (Nestlé being the largest) continued to promote infant formula in ways which increased the risks to infants. These practices included general advertising in the public media promoting bottle feeding as the “modern” way to assure healthy babies, the employment of “milk nurses” who were uniformed sales agents who encouraged mothers to use the company’s products, distribution of samples to new mothers, and various promotional schemes aimed at winning the favor of doctors, nurses, and other health professionals.

To some extent the problems were the product of the collision of a highly-educated, mechanized, free-enterprise western culture with cultures which were poorer, less literate, and less attuned to Madison-Avenue style advertising techniques. When infant formula companies were first informed of the risks created by their products, however, they denied they were responsible and refused to change their practices. As the party with greater awareness of the problem they had a responsibility to avoid creating harm for those who were less able to fend for themselves. After numerous unsuccessful efforts to persuade Nestlé and other companies to change their policies, several religious groups called for a boycott of Nestlé products, in the hope that the loss of revenues would persuade the company that it should change its promotional policies. The General Board endorsed the boycott of Nestlé in February 1979.

Significant Changes

Due to the efforts of such groups as the International Nestlé Boycott Committee and the International Baby Food Action Network, the growing awareness among public health officials eventually resulted in the adoption of an infant formula marketing code by the World Health Assembly in 1981, with the United States one of a handful of countries casting a negative vote. The World Health Organization is charged with responsibility for monitoring the implementation of the Code, frequently called the WHO Code. Its terms restrict the promotion of infant formula and set out requirements for labeling of all infant formula products. It is less restrictive than regulations regarding prescription drugs, for example, but it does forbid advertising of infant formula to the general public or the employment of “milk nurses” to promote formula use among expectant mothers. It is intended to serve as a model for codes to be adopted by nations as well as a guide for company activities.

A second result of the Nestlé boycott is a change in the Nestlé policy of promotion. All general advertising has been stopped, “milk nurses” no longer promote to mothers, distribution of samples to the public has been

stopped (although controversy continues over the practice of sampling to hospitals), and labels are being redesigned to conform to the requirements of the WHO Code. The Nestlé company has issued instructions to its personnel which implement Nestlé's interpretation of the provisions of the WHO Code, and has formed an Audit Commission composed of persons outside the company to receive complaints about the company's practices with regard to infant formula. Although earlier company efforts focused on attempts to discredit the persons calling for a boycott of their products, new management has implemented most of the changes sought by the boycotters. The company remains defensive about the boycott, and naturally would not want to encourage similar actions by attributing their changed policies to the boycott, but their policies have changed.

In the past year several other companies have announced their intent to abide by the WHO Code. These include Abbott Ross, Bristol Myers, and American Home Products. While it is not clear that they will abide precisely by the provisions of the code or apply them in all countries, the recent announcements are significant concessions that restraints on promotion of infant formula are needed. While boycotting groups have consistently filed stockholder resolutions with these companies seeking policies of conformity to principles such as those now embodied in the WHO Code, the management of the corporations has always opposed the resolutions. Nonetheless, the pressure of the boycotters' continued witness and the fear that their companies might be targeted for a boycott if Nestlé were to satisfy the boycotters' concerns surely played a role in moving them to a new policies.

In summary, the principal goals of the Nestlé boycott have been achieved as regards the Nestlé company, and significant progress has been made both with other companies and the primary public health organization at the international level. The question is whether this is the appropriate time to end the boycott and pursue other strategies for securing continuing implementation of the WHO Code on infant formula marketing.

Arguments

There are those who favor continuing the Nestlé boycott. Their main concern is that violations of certain provisions of the WHO code continue to be reported. The most serious violations are the provision of samples to hospitals (which they often then distribute to mothers), outdated labels still appearing on cans in many countries, and some promotions to doctors and other health professionals either through gift items or by uniformed nurses employed by the company. Many of these violations may seem trivial to North Americans, but it is important to remember that they occur in cultures where extreme poverty is the norm and uniformed professionals have a very high social standing. In the context in which these actions occur, they constitute high-pressure salesmanship, and many argue that the boycott should be continued until these practices are abandoned.

Many others feel that the time has now come to end the boycott. They argue that Nestlé has complied with the principal objectives of the WHO Code. Problems with outdated labels will remedy themselves as old stocks are exhausted. Violations of other code provisions related to sampling and promotion to health professionals are common to most companies at this time, and if Nestlé stops giving samples to hospitals the other companies will simply fill in the gap, which means that infants will be exposed to the same risks as before. The Nestlé company has shown its change of intent clearly 'enough that the drastic measure of boycotting is no longer justified. Further, given that the major areas of violation involve all companies and concern contacts with hospitals and health professionals, the most effective means of implementing the WHO code is through changed procedures and codes of conduct for the health professions.

Recommendation

I have attended the Infant Formula Working Group of the Interfaith Center for Corporate Responsibility and have received their regular reports of the Nestlé boycott and violations of the WHO code. I have also reviewed the reports of the Nestlé Infant Formula Audit Commission and spoken with Nestlé representatives in Washington, D.C. regarding reports of violations. I can confidentially say that I cannot divide the disputants into neat categories of saints and sinners but see mixtures of caring and lack of caring on both sides. It has been

a great disappointment that the hostilities of past years, in which both the Nestlé company and its opponents sought to discredit one another and used exaggeration and misleading information to sway public opinion, have produced such personal bitterness on both sides that it is impossible for the key leaders to sit down to discuss their concerns. Neither group is able to take at face value any statement by the other, each suspecting that the statements are insincere and simply another public relations trick.

It is my own view that while there are some continuing violations, and the Nestlé company will often err in favor of continued sales rather than more restricted promotional methods, they have changed their practices sufficiently to warrant cancellation of the boycott. Further Nestlé efforts to comply will probably not result in greater protection of infants as competing companies will quickly fill the gaps, and may place the Nestlé company at such a competitive disadvantage that they will not be able to resist returning to such practices. I also believe very strongly that new strategies to encourage hospitals and health professionals to implement the WHO Code will much more effectively control Nestlé and its competitors. And a strategy which seeks national adoption and enforcement of the WHO Code would be more reliable and fair to all companies than the current boycott method which depends on violations coming to the attention of leaders in affluent countries who can exert commercial pressures on the offending company. Justice should not depend on the accidents of location of a company's market in consumer products, nor should protection of infant health be left to such a haphazard mechanism.

I have pressed these views in meetings with boycott leaders, and I sense that there is now a movement for change. An international conference will be called for December 1983 or January 1984 to evaluate the boycott and consider new strategies. There is strong support for moving to a monitoring strategy and beginning work on hospital and national enforcement strategies.

Accordingly, I would recommend to the Executive Committee for action by the General Board the following resolution:

Whereas the World Health Assembly of the World Health Organization has recommended a code to govern the marketing of breastmilk substitutes, and

The Nestlé company has announced its intent to abide by the principles of that code, and more specifically has taken the following steps responsive to concerns raised by the General Board resolution of February 1979 endorsing the Nestlé boycott:

- a. Has stopped all promotion of formula to the general public,
- b. Has stopped the use of "milk nurses" to promote formula to mothers,
- c. Has stopped the distribution of samples of formula directly to mothers, and
- d. Has begun distribution of products with labels which encourage breastfeeding and provide more specific instructions and nutritional information, and
- e. Has established an audit commission to which complaints about misconduct can be referred for investigation,

Therefore be it resolved that the General Board of the Church of the Brethren

1. Calls upon members of the Church of the Brethren who have boycotted Nestlé products to end their boycotting in a spirit of forgiveness and recognition of the changed conduct of the Nestlé company,
2. Calls upon leaders of other boycotting organizations to reevaluate the boycott, both in regard to its justification in light of the company's changed conduct and to its effectiveness in protecting infant health,
3. Urges leaders in the health professions, particularly those affiliated with church-sponsored institutions to take steps to implement the WHO code, particularly in refusing to promote through gifts of samples the use of infant formula by mothers who do not need breastmilk substitutes,

4. Directs the staff of the General Board to work in appropriate ways to support implementation of the World Health Organization's infant formula code both in the health professions and through adoption of national codes, seeking to apply the same standards to all. companies with a priority given to those regions where promotion of infant formula presents the greatest risks to infant health, and
5. Renews its call to the Nestlé company and the leaders of boycotting groups to seek reconciliation and work together in whatever ways possible to better protect infant health in the future.

Ralph Watkins

Legislative Associate

General Board Minutes, October 18-21, 1983

Fred Bernhard presented the recommendation of the Executive Committee that the General Board approve the resolution as amended (page 5 of the exhibit).

During the discussion of this recommendation, the following amendment was made to the resolution:

VOTED to amend point 2 to read: *"recognizes the effectiveness of boycotting as a means of change as demonstrated by the changes in the marketing practices made by the Nestlé company, and recommits itself to continuing study of larger issues of the impact of multinational companies on the U. S. and global economies.*

Discussion turned to the rationale for moving at this time on a resolution, when the larger group who supports this boycott is caucusing in January to reevaluate this issue. Ralph Watkins stated that the Brethren have been very open about the action taken by the General Board in June of this year. There has been a continual urging of the boycott group by Brethren representatives over the last nine months to stop the boycott since Nestlé is in substantial compliance. "One of the essentials is that when dissent is expressed, it must be respected. A number of us have been raising this concern," Watkins added. He noted that it appears our concerns were not taken seriously.

Question: Was the boycott entered into simultaneously? No, it was picked up as different groups became aware of the need for the boycott.

VOTED to approve the following resolution:

Therefore, be it resolved that the General Board of the Church of the Brethren

1. *Rescinds the February, 1979 endorsement of the international boycott against Nestlé and its products and its subsidiaries and their products and services;*
2. *Recognizes the effectiveness of boycotting as a means of change as demonstrated by the changes in the marketing practices made by the Nestlé company, and recommits itself to continuing study of the larger issues of the impact of multinational companies on the United States and global economies;*
3. *Urges leaders in the health professions, particularly those affiliated with church-sponsored institutions, to take steps to implement the WHO code, particularly in refusing to promote through gifts of samples the use of infant formula by mothers who do not need breastmilk substitutes;*
4. *Directs the staff of the General Board to work in appropriate ways to support implementation of the World Health Organization's infant formula code both in the health professions and through adoption of national codes, seeking to apply the same standards to all companies with a priority given to those regions where promotion of infant formula presents the greatest risks to infant health; and*
5. *Renews its call to the Nestlé company and the leaders of boycotting groups to seek reconciliation and work together in whatever ways possible to better protect infant health in the future.*