



The rising influence of big business on policymaking: What it means for public health in NZ

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Summary

The World Health Organization recently released a report on social determinants of health equity that outlined the increasingly powerful influence commercial entities have on health and public policy. This influence creates problems when it inflicts health harms on societies, with vulnerable communities often disproportionately affected. The report called for more work to analyse and manage the negative impacts of commercial interests on policymaking and health, while maximising the private sector's health-promoting capacity. In this Briefing, we review recent decisions that have favoured commercial interests over health interests in Aotearoa New Zealand and suggest how conflicts of interest could be more effectively managed.

The World Health Organization's (WHO) recent report on [Social Determinants of Health Equity](#) calls attention to major challenges and important new opportunities. It recognises that many societies have deeply embedded inequities and calls for structural changes to address economic inequalities, create universal public services, and improve health equity.

The Report recognises that profit maximisation risks undermining societal wellbeing. It reinforces a recent analysis that argued transnational corporations had "created a pathological system", where organisations' power to cause harm had increased as governments had weakened and been "captured by commercial interests".¹ Many other studies have drawn urgent attention to the commercial determinants of health, adding weight to arguments that governments' failure to address these poses a serious threat to population wellbeing.²⁻⁴

Within Aotearoa New Zealand (NZ), we have seen several examples of transnational corporations' influence on policy to the detriment of public health. In this Briefing, we analyse four examples of this influence, in relation to alcohol, infant formula, tobacco, and transport, and call on Aotearoa's Government to explain how it plans to respond to the WHO Report.

Alcohol

Alcohol use has far-reaching health and social harms, estimated to cost NZ society over \$9 billion per year.^{5,6} Successive governments have ignored the recommendations of government-commissioned reports outlining evidence-based measures to reduce alcohol harm, such as stricter controls on advertising and availability.⁷⁻¹⁰ Research has revealed the alcohol industry's influence;¹¹ for example lobbying has contributed to NZ's low tax rates on alcohol relative to other countries.¹² Furthermore, an [investigative journalist recently revealed that lobbyists have helped shape alcohol policy](#). A [new poll](#) shows that a majority of New Zealanders support protecting policy from alcohol industry influence.¹³ The alcohol industry profits when they impede effective policies, while individuals, whānau/families and taxpayers bear the costs, which fall disproportionately on Māori and low-income communities.

Infant formula

Infant formula marketers have a long history of manipulating scientific evidence and

parents' emotions to sell formula.^{14,15} The WHO's 1981 International Code of Marketing of Breast-milk Substitutes aims to protect breastfeeding and ensure the safety of formula-fed babies by limiting advertising, free samples, and promotional activities for breast milk substitutes. While expected compliance is obtained through laws, regulations and policy with formal monitoring and meaningful sanction for violations, neither NZ nor Australia systematically monitors formula marketing. Current industry codes of conduct inadequately represent the International Code and ignore World Health Assembly resolutions. Joint Australia/NZ infant formula marketing standards aimed to address shortfalls in current regulations, but in late 2024, the NZ Government opted out from these, a decision [health advocates](#)¹⁶ described as "[a backward step](#)" that followed [intensive lobbying by multinational dairy companies](#).

Transport sector

Public health experts have raised concerns about the integrity of recent transport policy decisions that have major significance for public health. Most importantly, the [Government Policy Statement on land transport 2024-34](#) signals a car-centric policy direction that public health academics argued "[is not consistent with a transport system that supports the health and wellbeing of the population, nor does \[the policy\] adequately address the transport challenges of the 21st century](#)". This poorly-evidenced policy aligns substantially with the preferred policy settings of several well-resourced and highly politically engaged [industry lobby groups](#).¹⁷ Similarly, decisions to delay and weaken controls on vehicle emissions appear to have been based on consultations with only [select automotive industry stakeholders](#), raising sufficient concern about process to prompt a [legal challenge](#).

Tobacco and nicotine products

Tobacco companies have often undermined policy that would restrict how they market their products, typically via covert tactics. However, plain packaging saw their opposition become public.^{18,19} More recently, tobacco companies have used submissions,²⁰ alliances with retailers,²¹ and social media campaigns,²² to oppose tobacco "endgame" measures. The effects have delayed policies and likely "chilled" political will. The repeal of Aotearoa's world-leading "endgame" measures overlooked public support, [expert evidence](#) and advice from the Ministry of Health, and relied on industry rhetoric to justify the decision.²³ Recent decisions to [reduce the excise tax on heated tobacco products](#)²⁴ and [allow the introduction of oral nicotine products](#),²⁵ have also aligned with tobacco companies' views and [led to calls for stronger regulation of lobbying and greater transparency](#).^{20,21,}

Discussion

Because commercial interests may conflict with the public interest, governments need to protect and promote health and equity by controlling commercial influences. The examples above illustrate this tension but represent only the tip of the iceberg. Growing concerns about businesses' influence on Aotearoa's policymaking processes have prompted calls for greater transparency, particularly about lobbying.²⁶⁻²⁹

Addressing these concerns will require regulation and better management of conflicts of interest. The WHO Report provides broad recommendations (see [Appendix](#)) that align with suggestions from NZ experts:

- Stronger rules on donations and gifts to decision makers and political parties.

- Greater transparency about decision makers' conflicts of interest.
- Establishment of a formal lobbying register and code of conduct.
- Full disclosure of lobbying activities.
- Closing the "revolving door" between roles in government and industry/ lobbying.

Adopting these measures will foster more transparent, accountable and equitable policy decisions, ensure these reflect science rather than lobbying sophistry, and safeguard public health from corporate influence. Given public and expert concerns, the NZ Government should explain how it proposes responding to the WHO's Report.

What this Briefing adds

- The public interest and the interests of big business sometimes conflict.
- The World Health Organization has released a Report on the social determinants of health equity that highlights big business's increasing influence on public policy and health.
- Many examples from Aotearoa New Zealand illustrate where powerful business interests have influenced policy, to the detriment of health e.g., in transport, alcohol, tobacco, and infant formula policies. These examples have prompted NZ experts to call for measures to curb the influence of big business on public policy.

Implications for policy and practice

- Recommendations for greater transparency and fairness include stricter rules on political donations as well as a lobbying register and a robust code of practice. The 'revolving door' between roles in government and industry/lobbying also needs to be closed.
- The NZ Government has an opportunity to address rising public and expert concern about business interests' influence on policy by explaining how they will respond to the WHO's recommendations

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Appendix: WHO **recommendations** regarding the commercial determinants of health

Recommendation 3.3: Analyse and address the commercial determinants of health

- Regulate health-harming commercial activities and maximize health-promoting commercial activities.
- Address and manage conflicts of interest, to prevent negative impacts on population health and health equity.
- Use the public sector to provide incentives for commercial activities that positively affect health and health equity.
- Strengthen health equity considerations in global and regional trade processes, including over intellectual property.

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