Made in the U.S.A.-Dumped in Brazil, Africa, Iraq ... 1

When it comes to the safety of young children, fire is a parent's nightmare. Just the thought oftheir young ones trapped in their cribs and beds by a raging nocturnal blaze is enough to make most mothers and fathers take every precaution to ensure their children's safety. Little wonder that when fire-retardant children's pajamas first hit the market, they proved an overnight success. Within a few short years more than 200 million pairs were sold, and the sales of millions more were all but guaranteed. For their manufacturers, the future could not have been brighter. Then, like a bolt from the blue, came word that the pajamas were killers. The U.S. Consumer Product Safety Commission (CPSC) moved quickly to ban their sale and recall millions ofpairs. Reason: The pajamas contained the flame-retardant chemical Tris (2, 3-dibromoprophyl), which had been found to cause kidney cancer in children.

Whereas just months earlier the 100 medium and small garment manufacturers ofthe Tris-impregnated pajamas couldn't fill orders fast enough, suddenly they were worrying about how to get rid ofthe millions of pairs now sitting in warehouses. Because ofits toxicity, the sleepwear couldn't even be thrown away, let alone sold. Indeed, the CPSC left no doubt about how the pajamas were to be disposed of-buried or burned or used as industrial wiping cloths. All meant millions of dollars in losses for manufacturers.

The companies affected-mostly small, family run operations employing fewer than 100 workersimmediately attempted to shift blame to the mills that made the cloth. When that attempt failed, they tried to get the big department stores that sold the pajamas and the chemical companies that produced Tris to share the financial losses. Again, no sale. Finally, in desperation, the companies lobbied in Washington for a bill making the federal government partially responsible for the losses. It was the government, they argued, that originally had required the companies to add Tris to pajamas and then had prohibited their sale. Congress was sympathetic; it passed a bill granting companies relief, but the bill was vetoed.

While the small firms were waging their political battle in the halls of Congress, ads began appearing in the classified pages of *Women's Wear Daily.* "Tris-Tris-Tris ... We will buy any fabric containing Tris," read one. Another said, "Tris-we will purchase any large quantities of garments containing Tris.,,22 The ads had been placed by exporters, who began buying up the pajamas, usually at 10 to 30 percent of the normal wholesale price. Their intent was clear: to *dump* the carcinogenic pajamas on overseas markets.23

Tris is not the only example of dumping. There were the 450,000 baby pacifiers, ofthe type known to have caused choking deaths, that were exported for sale overseas, and the 400 Iraqis who died and the 5,000 who were hospitalized after eating wheat and barley treated with a U.S.-banned organic mercury fungicide. Winstrol, a synthetic male hormone that had been found to stunt the growth ofAmerican children, was made available in Brazil as an appetite stimulant for children. DowElanco sold its weed killer Galant in Costa Rica, although the Environmental Protection Agency (EPA) forbade its sale to U.S. farmers because Galant may cause cancer. After the U.S. Food and Drug Administration (FDA) banned the painkiller dipyrone because it can cause a fatal blood disorder, Winthrop Products continued to sell dipyrone in Mexico City.

Manufacturers that dump products abroad clearly are motivated by profit, or at least by the hope of avoiding financial losses resulting from having to withdraw a product from the U.S. market. For government and health agencies that cooperate in the exporting of dangerous products, sometimes the motives are more complex.\*

For example, when researchers documented the dangers ofthe Dalkon Shield intrauterine deviceamong the adverse reactions were pelvic inflammation, blood poisoning, tubal pregnancies, and uterine perforations-its manufacturer, A. H. Robins Co., began losing its domestic market.24 As a result, the company worked out a deal with the Office of Population within the U.S. Agency for International Development (AID), whereby AID bought thousands ofthe devices at a reduced price for use in population-control programs in forty-two countries ..

Why do governmental and population-control agencies approve for sale and use overseas a birth control device proved dangerous in the United States? They say their motives are humanitarian. Because the rate of dying in childbirth is high in Third World countries, almost any birth control device is preferable to none. Analogous arguments are used to defend the export of pesticides and other products judged too dangerous for use in the United States: Foreign countries should be free to decide for themselves whether the benefits of those

products are worth their risks. In line with this, some Third World government officials insist that denying their countries access to these products is tantamount to violating their countries' national sovereignty.

This reasoning has found a sympathetic ear in Washington, for it turns up in the "notification" system that regulates the export of banned or dangerous products overseas. Based on the principles of national sovereignty, self-determination, and free trade, the notification system requires that foreign governments be notified whenever a product is banned, deregulated, suspended, or canceled by a U.S. regulatory agency. The State Department, which implements the system, has a policy statement on the subject that reads in part: "No country should establish itself as the arbiter of others' health and safety standards. Individual governments are generally in the best position to establish standards of public health and safety."

Critics of the system claim that notifying foreign health officials is virtually useless. For one thing, other governments rarely can establish health standards or even control imports into their countries. Indeed, most of the Third World countries where banned or dangerous products are dumped lack regulatory agencies, adequate testing facilities, and well-staffed customs departments.

Then there's the problem of getting the word out about hazardous products. In theory, when a government agency such as the EPA or the FDA finds a product hazardous, it is supposed to inform the State Department, which is to notify local health officials. But agencies often fail to inform the State Department of the product they have banned or found harmful, and when it is notified, its communiques tyPically go no further than U.S. embassies abroad. One embassy official even told the General Accounting Office that he "did not routinely forward notification of chemicals not registered in the host country because it may adversely affect U.

S. exporting." When foreign officials are notified by U.S. embassies, they sometimes find the communiques vague or ambiguous or too technical to understand.

But even if communication procedures were improved or the export of dangerous products forbidden, there are ways that companies can circumvent these threats to their profits-for example, by simply changing the name ofthe product or by exporting the individual ingredients of a rroduct to a plant in a foreign country. Once there, the ingredients can be reassembled and the product dumped? The United States does prohibit its pharmaceutical companies from exporting drugs banned in this country, but sidestepping the law is not that difficult. "Unless the package bursts open on the dock," one drug company executive observes. "you have no chance ofbeing caught." Unfortunately for us, in the case of pesticides, the effects of overseas dumping are now coming home. In the United States, the EPA bans all crop uses of DDT and dieldrin, which kill fish, cause tumors in animals, and build up in the fatty tissue of humans. It also bans heptachlor, chlordane, leptophos, endrin, and many other

pesticides, including 2,4,5-T (which contains the deadly poison dioxin, the active ingredient in Agent Orange, the notorious defoliant used in Vietnam) because they are dangerous to human beings. No law, however, prohibits the sale ofDDT and these other U.S.-banned pesticides overseas, where thanks to corporate dumping they are routinely used in agriculture. In one three-month period, for example, U.S. chemical companies exported 3.9 million pounds of banned and withdrawn pesticides. The FDA now estimates, through spot checks, that 10 percent ofexported food is contaminated with residues ofbanned pesticides. And the FDA's most commonly used testing procedure does not even check for 70 percent of the pesticides known to cause cancer. With the doubling of exports ofMexican produce to the United States since the signing of the North American Free Trade Agreement (NAFTA), the problem of pesticide-laced food has only grown worse. 26

*\*Dumping* is a term apparently coined by *Mother Jones* magazine to refer to the practice ofexporting to other countries products that have been banned or declared hazardous in the United States, Moral Issues in Business

Discussion questions:

Remember: Non-moral questions include matters of fact.

1. Complete the following statements by filling in the blanks with either "moral" or "non-moral." Transfer the answered question to your paper.

a. Whether or not dumping should be permitted is a question.

b. Are dangerous products of any use in the "Third World" is a \_\_\_\_\_question.

c. "Is it proper for the US government to sponsor the export of dangerous products overseas?" is a \_\_\_\_\_question.

d. Whether or not the notification system will protect the health and safety of people in foreign lands is a \_\_\_\_\_question.