



CORPORATE COMPLICITY IN THE AFRICAN AIDS PANDEMIC

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CORPORATE COMPLICITY

Although the impersonal and indirect forces of neo-liberalism and globalization have contributed significantly to the HIV/AIDS pandemic, these structural forces are reproduced in the direct actions of major multinational corporations. Accordingly, multinational corporations have "responsibilities" as global citizens and as employers to initiate and support efforts to alleviate the HIV/AIDS pandemic, particularly among their employees, they are also individually and collectively "responsible" in another sense – they too have engaged in practices and policies that have intensified the pandemic. Unfortunately, there are multiple examples of business practice, individual, collective, and by proxy, that amount to *corporate complicity* in the deepening crisis in developing countries, particularly Africa:

- Multinational corporations have frequently relied on a migrant, all-male workforce and have made no provision for housing families or for promoting conjugal relations. During, and after, systems of apartheid and colonial rule, men have been housed in cramped hostels for months at a time, often with leave to visit home only once a year for a few weeks. Naturally, these conditions, and the poverty of women, resulted in intimacy with sex workers and a high incidence of STD's and HIV infection that were subsequently transmitted to sexual partners back home.
- Multinational corporations have promoted peri-urban industrialization, invested extensively in export-oriented commodity production and natural resource extraction, and favored capital intensive manufacturing all of which have negatively affected employment and rural economies so as to increase vulnerability to HIV. These policies have also negatively impacted food security and nutrition thereby increasing susceptibility to HIV transmission.
- Multinational corporations have insisted on the development of transportation infrastructures, but have made no provision to prevent or reduce HIV transmission along truck routes, at sea ports, and along other systems of transportation. Similarly, multinational corporations have insisted on the development of mega hydro-electric and

communication projects but have not provided for the HIV security of its transient workforce.

- Multinational corporations have pursued tax rate reductions, tax concessions, and other forms of tax avoidance that have permitted them to under-fund social welfare and public health systems that might have responded more appropriately to the pandemic.
- Multinational corporations and their investment partners have insisted on fiscal restraint, reductions in public sector employment, and privatization schemes that have led to the reduction of public services particularly health services for poor people. Corporate proxies at the World Bank and IMF have insisted on structural adjustment policies such as fee-for-services that have negatively impacted health care affordability and utilization.
- Multinational corporations, through their multilateral partners, have insisted on currency and financial market flexibility that has frequently resulted in a net outflow of profits and investment away from developing countries.
- Multinational corporations have resisted demands that they provide medical insurance, medical benefits, and medical treatment to their workforce that might result in a better general state of health and thus resistance to HIV transmission.
- Multinational corporations have neglected to provide medical coverage or treatment of HIV and opportunistic infections for direct and indirect corporate employees and for their family members.
- Multinational corporations have neglected to institute wage continuation programs for employees disabled by AIDS.
- Multinational corporations have historically failed to provide employee education about sexual health and safe sex, have failed to offer confidential voluntary HIV counseling and testing, and have failed to provide male and female condoms to their workforce.
- Multinational corporations have stigmatized, discriminated against, and fired workers who are HIV positive and have violated rights of privacy with respect to confidential medical information.

THE OUTLINE OF A MULTINATIONAL CORPORATE COMPLICITY CAMPAIGN

Although the pharmaceutical industry has been and continues to be an appropriate target for treatment activist campaigns, it should not be the only corporate sector targeted; multinational corporations in many other industries have played a horrendous role in creating the socio/economic conditions for the pandemic and in neglecting their obligations to their workforce. Because of activist pressure and union activity, some MNCs are beginning to acknowledge the scope of the pandemic and plan minimal face-saving responses that protect limited segments of their skilled workforce. Moreover, some employer associations are drafting employment practice policy statements encouraging “corporate responsibility” in the age of HIV/AIDS, particularly in the area of awareness/prevention.¹ In general, these policies are weak

¹ Global business Council on HIV/AIDS, www.businessfightsaids.org (12/6/01); Report of the Findings of the Corporate Council on Africa’s Task Force on HIV/AIDS (Oct. 12, 2001); *see* CDC – Global AIDS Program Technical Strategies – Private-Public Partnerships,

in scope, particularly with respect to treatment of employees who are living with HIV. As a rule, MNC employers continue to practice discrimination against employees with HIV, to deny HIV medical care insurance or treatment, and to avoid wage continuation policies for their employees.² Thus, one of the emerging strategies for treatment activists is to expand the concept of MNC obligations beyond the liberal idea of “corporate responsibility” to the more accurate battle cry of “corporate complicity.”

Although a corporate complicity campaign might eventually spread to smaller employers, a multinational complicity campaign should initially be directed at large-scale employers in Africa, particularly those with foreign (U.S. and European) ownership. In this regard, the extractive industry, for example AngloGold, a subsidiary of Anglo American, has been a particularly attractive target, especially given its decision in 2001 to offer ARV therapy to office and management staff only, mostly white, but not to frontline miners, mostly Black.³ These racist treatment plans were exposed and countered internationally with demands for universal treatment of all workers and their families, including demonstrations at the XIV International AIDS Conference in Barcelona in July 2002. As a result of activist and union demands, Anglo American (gold) and DeBeers (diamonds) have recently announced major expansions of their workplace treatment policies. For example, Anglo American/Anglo Gold has agreed to provide ARV treatment without cost of workers, but only for their period of employment.⁴ DeBeers, in contrast, has agreed to provide coverage to one dependent and to workers and that dependent for life, but intend to impose a 10% co-pay which could cost workers hundreds of dollars a year. The lessons of this largely successful campaign are several: (1) cooperation among international activist allies is critical, (2) naming and shaming campaigns can affect corporate policy, and (3) it remains important to continue to press for best-practice standards that take the best features of the two treatment programs: full coverage for workers and their dependents, for life, without co-payments.

A variation of a corporate treatment campaign relates to whether the employer is providing for HIV/AIDS treatment to both its immediate *and* extended workforce. In this regard, Coca Cola, Africa’s largest direct and indirect foreign employer, has been selected as a highly visible and vulnerable target given its decision to provide treatment for its 1500 direct corporate employees but not to its 100,000 indirect “system” employees, most black, who are formally employed by Coke’s affiliated bottlers, canners, and distributors.⁵ Activists from Health GAP and other treatment access campaigns have targeted Coca-Cola since April of 2002, holding

http://www.cdc.gov/nchstp/od/strategies/2_6_private_public.htm (10/23/01). The International Labour Organization, now affiliated with UNAIDS, has also issued a Code of Practice on HIV/AIDS and the World of Work, <http://www.ilo.org/public/english/bureau/inf/pr/2001/24.htm> (12/05/01).

² There have been a few early exceptions. In Botswana, the diamond mining company Debswana has been providing anti-retroviral therapy to employees and family members since 2001. Debswana covers 90% of the cost of ARVs. Similarly, Daimler Chrysler, the largest private investor in South Africa pledged anti-AIDS drugs to its South African employees and families in June of 2001. *DaimlerChrysler to Begin AIDS Treatment Program for South African HIV-Positive Workers, Dependents*, Kaiser Daily HIV/AIDS Report, (10/19/02) More recently, besides the mining industry gains announced further below, South Africa’s largest insurance company, Old Mutual, has announced ARV coverage as has a major parastatal, Transnet. *Old Mutual offers staff anti-AIDS drugs*, BBC News (Sept. 10, 2002) <http://news.bbc.co.uk/2/hi/business/2249296.stm> (9/12/02); Nawaal Deane, *Transnet to Provide Anti-Retrovirals to Employees*, Mail & Guardian (Johannesburg) (August 22, 2002) <http://allafrica.com/stories/printable/200208220601.html> (8/23/02).

³ *Anglo American Will Not Provide Majority of South African Workers with Antiretroviral Drugs*, Kaiser Daily HIV/AIDS Summary (10/9/01). Anglo had previously made an announced on May 8, 2001 that it would provide cheap anti-AIDS drug to its employees.

⁴ Geoff Dyer & James Lamont, *Comment & Analysis: Anglo’s Offer*, Financial Times (August 8, 2002).

⁵ Donald G. McNeil Jr., *Coca-Cola Joins AIDS Fight in Africa*, New York Times (June 21, 2001).

multiple demonstrations in New York,⁶ Atlanta,⁷ Boston,⁸ and Barcelona.⁹ These demonstrations have condemned Coke for failing to fulfill its promises to use its highly touted distribution and marketing capacity to distribute condoms and AIDS prevention literature throughout the countryside, given that it accesses over 750,000 retail “partners” in every African country except Libya and Sudan. Although Coca-Cola has 140 bottling and canning plants across the continent and 76 different bottling partnerships, at present it does not subsidize or require any treatment plans for the tens of thousands of Coke system workers who earned Coke \$261 million in net operating income in 2001 on \$621 million in sales.

Because the extractive industry and other migrant industries in Africa, i.e., plantations, final assembly plants, large infrastructure projects, have played a crucial role in exacerbating the AIDS crisis through their single-sex housing practices, another goal of a corporate complicity campaign, in alliance with union demands, would be a demand for more family/community friendly housing schemes.¹⁰ Yet another piece relates to corporate HIV/AIDS prevention, testing/counseling, and treatment clinics at worksites (all within a culture of non-discrimination). In this context, it is particularly important that corporations be required to increase workers’ treatment literacy given lack of workers education about the possibility of treatment in the past, given rampant disinformation about the link between HIV and AIDS and about the toxicities of ARVs, and given the importance of full compliance with a treatment regime. A key part of any multinational corporate complicity campaign is to characterize comprehensive prevention and treatment programs as a form of restitution/reparations for past histories of colonial and neo-colonial wealth extraction and wealth transfer.

The clearest rationale for a corporate responsibility/complicity campaign is that multinational corporations are the architects of globalization, the WTO/World Bank/IMF troika, US trade policy, and the neo-liberal politics that are disseminating African economies and intensifying the AIDS pandemic. Bringing MNCs out of the background, into the foreground where they belong, is important to mounting an effective treatment campaign. Multinational corporations will have sophisticated spin for their quarter-measures, but an inspired and vigorous campaign can keep them in the spotlight.

A second justification for an MNC corporate complicity campaign, beyond their direct complicity in creating the conditions for the pandemic, is that large-scale employers have the means, the organization, and the infrastructure to deliver AIDS treatment to a large segment of the population. Once problems of stigma and discrimination are addressed, worksites might be ideal settings for testing, education, and medical care for non-migratory workers and their families. In addition, activists should not underestimate the importance of extending the lives of “economically” productive workers. In South Africa, working family members often support an entire network of relatives in two extended families, including AIDS orphans. For example, a rural teacher visiting my family in the summer of 2001 supported himself his wife and his two children, but in addition he supported 16 other family members including surviving members of two breadwinners who died of AIDS at the end of 2000. It is also important to remember that these workers are parents too, and their survival is critical to the nurture and support of their own children.

⁶ Ben White, Black Colca-Cola Workers Still Angry, Despite 2000 Legal Settlement, Portesters Say Little Has Changed, Washington Post (April 18, 2002) <http://www.washingtonpost.com/wp-dyn/articles/A4802-2002Apr17.html> (4/18/02).

⁷ Leon Stafford, Protesters aim at Coke operations in Africa, Columbia, Atlanta Journal-Constitution (7/23/02) <http://www.accessatlanta.com/ajc/businesss/coke/0702/23protest.html> (7/23/02).

⁸ Douglas Belkin, *Harvard Sq. protesters rally against Coca-Cola, Gap*, Boston Globe (Aug. 11, 2002).

⁹ Charity Bhengu, *Aids activists slam companies*, Sowetan 3 (July 15, 2002).

¹⁰ Helping to Reunite Families While Slowing Aids, Business Day (Johannesburg) (Sept. 12, 2002) <http://allafrica.com/stories/printable/200209120057.html> (9/12/02).

Third, a campaign against corporations can create an even stronger alliance between trade unions and treatment activists. COSATU has become an important member of the treatment campaign in South Africa and is, of course, a supporter of the Treatment Action Campaign's lawsuit against the government on mother-to-child transmission prevention. COSATU has played an increasingly supportive role in criticizing government's apathy. If activists construct a campaign that links demands for company-specific AIDS treatment with broader demands for corporate contributions to universal treatment options, then activists will have succeeded in further politicizing and connecting with a very important constituency. In this context, it is also appropriate to mention that there is growing dissent in the ANC about Mbeki's AIDS policy and there are many ANC comrades who are just as treatment about treatment as activists are - it's their family members and loved ones who are dying. As a result of this dissent, the Cabinet was forced to change its denialist AIDS policy in a historic announcement on April 17, 2002.

The final advantage of a corporate campaign is that it can be launched in the belly of the beast. The U.S. is control central of international corporate hegemony. While Southern allies push their governments to provide treatment in the public sector and rally against local multinational subsidiaries, treatment activists in the U.S. can demonstrate at world headquarters. While corporate apologists are trying to keep corporations, including pharmaceuticals, out of the spotlight, treatment activists can say that the MNC emperors are wearing stolen loot and spreading the plague.

Although there are many advantages in a multinational corporate complicity campaign, there are dangers as well. One danger inherent in the corporate responsibility/private sector workforce/medical aid scheme plan is that it constitutes a form of privatization. The scope of the pandemic in South Africa and in Africa in general cries forth for massive governmental and regional responses. There is a perverse collusion of interest in saving the lives of the "economically" productive members of the formal economy and letting the rest die. Certainly corporate interests would prefer to pay for narrowly tailored, company-specific programs rather than contribute through taxes and otherwise to a more universal public response. Similarly, COSATU and labor elites, despite having done many positive things in the anti-Apartheid struggle and in the cause of labor reform, have been justly accused of having a trade-union focus on their current membership at the expense of more vigorous solidarity with their un- and under-employed brothers and sisters. Finally, some of the more cynical forces in the South African government seem to be focused on saving their own ranks and economically productive workers and letting the desperately poor die (at least by waiting until the big bucks arrive or until a vaccine or microbicide is developed). In other words, one of the dangers of a corporate, privatization scheme is that treatment would stop at "private sector borders" leaving the vast majority of people living with HIV/AIDS on the outside. By satisfying and treating the more educated, more politically active, and better-organized private sector, there can be a significant loss of solidarity with rural, peri-urban, and informal sector populations.

These dangers do not ultimately undermine the strategic importance of an MNC campaign. However, they do remind us that demands for treatment in one sector, or where capacity currently exists, must always be linked with demands for universal, public sector treatment. Ultimately, treatment in the private sector can create social demand for treatment everywhere and this must be the long-term strategy which we pursue.

Contours of a Multinational Corporate Complicity Campaign

As a result of these multiple forms of corporate misfeasance, Health GAP's multinational corporate complicity campaign has demand that:

MNCs must acknowledge the HIV/AIDS epidemic is a health, social, and economic tragedy of enormous and unprecedented proportions.
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TREATMENT ACCESS: MNCs must provide medical insurance, medical benefits, and medical treatment to their workforce. Access to health care will result in a better general state of health and thus, reduction of the impact of the epidemic upon the workplace, resistance to HIV transmission, and support for workers infected or affected by HIV/AIDS so that they may continue to live for as long as possible.

COLLABORATION: HIV/AIDS workplace policies and programs must be developed in collaboration with employees, with encouragement of full participation of workers living with HIV/AIDS, labor representatives and bodies, and where they exist, in coordination with community-based programs and initiatives. MNCs should also provide for and encourage full participation of workers and other parties for regular evaluation and revision of the program based on its measured impact on behavior, morale, and health of workforce.

FUNDAMENTAL COMPONENTS: Workplace treatment policy must reflect the premise that treatment and prevention are inextricably linked. MNCs must develop and implement a comprehensive HIV/AIDS workplace program including non-discriminatory policies, education and prevention measures, access to voluntary HIV counseling and testing, and HIV treatment access for direct and indirect employees, their families, household members, and sex partners.

STANDARD OF CARE: As part of care, MNCs must provide for the diagnosis and treatment of sexually transmitted infections (STIs), prevention of mother to child transmission (MTCT), treatment of opportunistic infections (OI), appropriate monitoring and testing, home-based care and hospitalization, palliative care, and antiretroviral treatment. Treatment options should be consistent with those guided by current standards of care for people living with HIV.

CONTINUANCE OF CARE: MNCs must continue wages, rights, and benefits, including access to care and support, to workers who are no longer able to work due to illness so they are not destitute. Healthcare and benefits extended to children of HIV positive workers must not be terminated once they reach the age of 18.

COVERAGE FOR INDIRECT EMPLOYEES: Where MNCs have wholly or partially-owned subsidiaries, franchises, exclusive partnerships, or other substantial business and operational linkages with Small to Medium Enterprises (SMEs), they must extend the full benefits and rights of the HIV/AIDS policies and programs to those employees equivalent to those directly employed by the MNC.

INCENTIVES FOR AFFILIATES: Where MNCs have networks and affiliates comprised of Small to Medium Enterprises (SMEs), MNCs should provide economic incentives for SMEs to implement comprehensive HIV/AIDS workplace policies, exchange information, and assist financially and other means of support.

PREVENTION: MNCs must provide measures to prevent HIV transmission in the workplace. MNCs must provide employee education about sexual health and safe sex, offer confidential voluntary HIV counseling and testing (VCT), and provide male and female condoms to workers and community. Voluntary and confidential HIV testing must be provided by MNCs with clear statements of non-discrimination.

COMMUNITY OUTREACH: MNCs must include the communities in which they are located in education and outreach initiatives.

VULNERABLE WORKERS: Where MNCs have created single-sex workplaces, or rely heavily on migrant workers, MNCs must extend outreach, voluntary counseling and testing, and treatment-

especially of STIs-and OIs to surrounding communities. Extra efforts must be made for sex workers and partners with the goal of improving the health of the overall community in addition to preventing transmission to workers.

WORKERS' RIGHTS: MNCs must extend rights and benefits to workers with HIV/AIDS in the same manner that they are extended to workers with other serious illnesses. Privacy of medical records must be maintained and no worker should be forced to disclose HIV status.

NON-DISCRIMINATION: MNCs' policies regarding gender equality, non-discrimination on the basis of HIV status, and protection from HIV pre-screening for employment must at least be in accordance with relevant labor codes. MNCs must support the dignity of people living with HIV or AIDS and support allowing the employee to work as long as she/he is able.

WOMEN: Recognizing the disproportionate rates of infection and increased biological and social vulnerability to infection of HIV among women, MNCs must take concrete steps to create favorable conditions of work that ensure safe and healthy working conditions for women. This includes protection from violence, harassment, and exploitation. An explicit goal must be to foster a workplace culture of gender concern/equality in all relations. In cases of rape, MNCs must provide access to ARVs and testing.

In addition to these current demands, the campaign might also consider future demands that:

- MNCs pay their full share of tax commitments that are the source of funds for public sector services. (MNC have a long history of avoiding taxes, demanding special tax concessions, having dubious accounting practices to avoid their tax responsibilities.)
- MNCs provide resources to the Global Fund, which will be used to meet the prevention, care, and treatment needs of people with HIV/AIDS and other infectious diseases.
- MNCs in no way use contributions to the Global Fund to decrease their tax responsibilities to governments. Such contributions must be entirely new funds, and not a shifting of tax responsibilities.
- Where MNCs indirectly provide for health care through medical aids schemes or otherwise, the coverage should not require onerous co-payments or impose benefit limitations that unfairly shift costs of HIV care to the employee.
- MNCs provide full protective measures to prevent HIV transmission in the workplace, where transmission is a possibility.
- MNCs provide or permit full workplace access to NGOs for HIV education and risk reduction messages and for treatment literacy training.
- MNCs end employment related distortions that have led to single-sex housing and company towns.