



### **Anglo American and AngloGold: Targets for the Campaign for Access to AIDS treatment for workers living with HIV/AIDS**

Health GAP has launched a global multinational complicity campaign demanding that major international companies provide AIDS treatment for their workers and family members in Africa. Coca Cola, Africa's largest direct and indirect foreign employer, was selected as the initial target given its decision to provide treatment for its 1400 direct corporate employees but not to its 100,000 indirect "Coke system" employees, most black, who are employed by Coke's affiliated bottlers, canners, and distributors.<sup>1</sup> However, the extractive industry, for example AngloGold, and its parent company, Anglo American, are particularly appropriate targets as well, given their announced decision to offer anti-retroviral therapy to office and management staff only, mostly white, but not to frontline miners, mostly Black.<sup>2</sup> These racist treatment plans must be exposed and countered with demands for universal treatment of all workers and their families.

The extractive industry, led by Anglo American, has played a notorious role in the colonial exploitation of Africa and more recently in exacerbating the AIDS crisis through its reliance on migratory labor and its insistence on single-sex housing.<sup>3</sup> As a result, young men, hundred of miles from home and away from their families for months at a time, are drawn to sex with desperately poor commercial sex workers resulting in ideal breeding grounds for the AIDS pandemic.<sup>4</sup> Researchers estimate that these migrant workers are almost two-and-a-half times more likely to be HIV-positive than non-migrant workers,<sup>5</sup> a fact disputed by mining companies because of liability concerns.<sup>6</sup> 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, as a fundamental human right, and as a necessary and appropriate employee health benefit.

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<sup>1</sup> Donald G. McNeil Jr., *Coca-Cola Join AIDS Fight in Africa*, New York Times (June 21, 2001).

<sup>2</sup> *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.

<sup>3</sup> Mark Schoofs, *African Gold Giant Finds History Undermines a Fight against AIDS*, Wall Street Journal (June 26, 2001).

<sup>4</sup> Schoofs, Wall Street Journal (June 26, 2001).

<sup>5</sup> Schoofs, Wall Street Journal (June 26, 2001).

<sup>6</sup> Schoofs, Wall Street Journal (June 26, 2001). Anglo American argues that there is "little difference in infection rates amongst mineworkers and people in the surrounding community." Anglo American website, Frequently Asked Questions. Anglo seems to have forgotten that the infection rate in surrounding communities is often even higher because of the prevalence of formal and informal sex work by woman trapped by poverty and lured by lonely men with money who don't see their families for months at a time. Of course, Anglo also forgets that the miners do go home and also spread the virus even further.

“Anglo American holds a unique place in South African history and culture, having influenced the nation more than probably any other single entity.”<sup>7</sup> Anglo American holds a 53% interest in its newly created affiliate AngloGold, created in 1998 as the world’s largest gold mining company. Anglo American also has a 45% interest in De Beers, the world’s largest diamond mining company. Anglo American is reported to employ 191,000 workers in sub-Saharan Africa, 160,000 in its South Africa affiliate alone; at least 21% of its African employees are believed to be HIV-positive. AngloGold employs another 44,000 workers in sub-Saharan Africa; 29% of its workforce is estimated to be HIV-positive.<sup>8</sup> In the year 2000, Anglo American reported global operating profits of \$3.2 billion, AngloGold \$468 million. Profits have risen significantly in the past year as investors have turned to gold as a safe haven from the plummeting stock market.<sup>9</sup>

Over a year ago Anglo American made a great splash by announcing that it was going to initiate a company-wide ARV treatment program for its workforce, though it would conduct some studies before a complete rollout.<sup>10</sup> The plan was still subject to approval by Anglo’s board of directors, but Clem Sunter, a director of the company’s South African unit, said that “There’s so much momentum on this now, I don’t think anything could turn it around.”<sup>11</sup> This announcement was met with great enthusiasm by unions,<sup>12</sup> UNAIDS,<sup>13</sup> treatment activists, and the business press as a forward-thinking corporate response that would galvanize a response throughout the mining sector and eventually spill over to other business sectors in Southern Africa. Because of its alleged autonomy, AngloGold did not match the Anglo American promise of universal employee treatment, but it did commit itself to a major clinical trial involving more than a 1000 workers.<sup>14</sup> What it didn’t announce was that its trial was dependent on receiving free drugs and major funding from other sources.<sup>15</sup> Consequently, as early as June of 2001, it began to announce a scale-back in its proposed clinical trial.

Like AngloGold, Anglo American began to backtrack almost immediately. Initially, it said that it was trying to negotiate price discounts and/or drug donations with GlaxoSmithKline, Bristol-Myers, Squibb, Merck & Co., and Boehringer Ingelheim, who had already offered the giant corporation price discounts equal to those offered in the public health sector.<sup>16</sup> Reports leaked out that the front office was having second thoughts about operational, distributional, and medical efficacy difficulties as well as medicines' sourcing problems: whether to treat family members who are widely dispersed and frequently rural; whether there was indeed ARV capacity in the on-site health facilities; and whether the harsh conditions of mining (high temperatures, limited access to water, food, and sanitation) would compromise the efficacy of ARVs and/or of dosing compliance "one mile down."<sup>17</sup> Even more outrageously, Anglo doctors began to speculate whether AIDS treatment would spur even riskier behavior – this from a company which had engineered apartheid homelands and imposed the hostel system for decades.<sup>18</sup>

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<sup>7</sup> Mark Schoofs, *Mining Firm Anglo American Offers AIDS drugs to Workers*, Wall Street Journal (May 7, 2001).

<sup>8</sup> Mike Cohen, *South African Gold Mining Giant Finds up to 30 Percent of the Work Force is HIV Positive* (AP April 24, 2002); Tamar Kahn, *Mining Group’s Policy has Two Aims: Reducing Spread of Infection, and Prolonging the Lives of People Who are Infected*, Business Day (Johannesburg) (April 25, 2002).

<sup>9</sup> Allan Seccombe, *S. Africa Mine Firms to Unite to Fight AIDS Scourge* (Reuters, April 19, 2002).

<sup>10</sup> Schoofs, Wall Street Journal (May 7, 2001).

<sup>11</sup> Schoofs, Wall Street Journal (May 7, 2001).

<sup>12</sup> COSATU Welcomes South African Chamber of Business and Anglo American Offer, Press Release (May 9, 2001).

<sup>13</sup> Dr. Peter Piot called Anglo’s plans “highly symbolic and highly practice, because companies will be one of the fastest ways antiretrovirals will get to people in the developing world Schoofs, Wall Street Journal (May 7, 2001).

<sup>14</sup> Schoofs, Wall Street Journal (May 7, 2001).

<sup>15</sup> Schoofs, Wall Street Journal (June 26, 2001) (citing the British Medical Research Council as the intended sponsor).

<sup>16</sup> Schoofs, Wall Street Journal (June 26, 2001).

<sup>17</sup> Schoofs, Wall Street Journal (June 26, 2001).

<sup>18</sup> Schoofs, Wall Street Journal (June 26, 2001). At this time, it still remains unclear whether Anglo has even fulfilled its promise to treat its central office staff.

Weeks dragged into months. And yet, the stated policy was that the pilot projects were on the immediate horizon and that comprehensive rollout was still in the cards.

In a stunning reversal, on October 8, 2001, Anglo American announced that it was going to provide ARV therapy to its central administrative employees (mostly white) but not to its front line mine workers (mostly black). After having previously touted the cost effectiveness of treatment,<sup>19</sup> Brian Brink, Anglo's senior vice president for Medical Operations, said that it was going to provide approximately 14,000 office staff members with drugs as part of their medical insurance packages, but that expanding treatment to all of its 160,000-plus miners would be too expensive – “ the cost will be greater than the saving.”<sup>20</sup> Brink added that the price of medicines was too high, workers' adherence to drug regimens too uncertain, and the extent of Anglo's eventual obligations to employees and their dependent too daunting.<sup>21</sup>

Anglo American was widely condemned by COSATU and treatment activists for its racist treatment decision. The National Union of Mineworkers and COSATU put out a joint statement calling the policy “inherently racist and discriminatory, with beneficiaries of the scheme being, in the main, white workers and the black elite. The foot soldiers who generate wealth in the bowels of the earth are excluded.” Anglo American hunkered down saying it was still investigating the “possibility” of pilot treatment programs at selected worksites and that it was still seeking further price discounts from the patent drug industry.<sup>22</sup> In addition, citing previous concerns about side effects of drugs, continuity of care, and care to distant family members, Anglo informally floated a new excuse in private conversations: “we're worried that HIV-positive workers will preferentially seek employment at Anglo because we provide treatment and thus that our entire workforce will end up HIV+.”

In April 2002, Anglo American announced that it was renouncing unilateral pilot project plans and instead would look to an “industry-wide solution.”<sup>23</sup> Contemporaneously with this announcement, again roundly condemned by the mining unions and activists, AngloGold announced yet another excuse for its non-action – that it's not responsible to treat a transitory and impermanent workforce when the government has no plan for public sector treatment.<sup>24</sup> Better not to treat at all than to manufacture resistance with time-limited treatment, or so that implied logic goes. Although the South African Chamber of mines, the industry group for mining companies employing some 400,000 miners, at least 20% of whom are HIV-positive, has allegedly discussed tackling the epidemic on a united front,<sup>25</sup> as of July 1, 2002, no announcements have been made about a new industry-wide initiative.

Health GAP and other treatment activists are putting a pickaxe next to the giant Coke bottle to focus anger and attention on a second killer-company, Anglo American and its affiliate AngloGold. Anglo is vulnerable in Europe, especially the U.K. where it is listed on the stock exchange and in many countries in Africa where it, or its affiliates, have mining interests. Giving growing union demands for treatment in South Africa and given the Treatment Action Campaign's demand for more responsiveness from the private sector, the Anglo profiteers justly face a worldwide movement. Activist demands against Anglo American contain three key points:

1. Anglo must immediately provide treatment access for all HIV-positive Anglo employees in sub-Saharan Africa, including in particular rank-and-file mineworkers and their dependents.

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<sup>19</sup> “The costs of therapy will be outweighed by the benefits.” Michael Carter, *Private Sector Plans Treatment Access for Workers* (Sept. 6, 2001)(quoting Brian Brink)

<http://www.adismap.com/news/newsdisplay2.asp?newsId=1249>

<sup>20</sup> James Lamont, *Anglo Baulks at HIV Drug Costs in S Africa*, Financial Times (October 9, 2001).

<sup>21</sup> Lamont, Financial Times (October 9, 2001).

<sup>22</sup> Kerry Cullinan, *NUM proposes HIV/AIDS Summit* (Oct. 19, 2001) <http://www.health-e.org.za/view.php?id=20011015&print=Y> “I remain optimistic we will be able to reach a point where we will be able to offer the drugs.”

<sup>23</sup> Mark Schoofs, *Anglo Stalls AIDS-Drug Trial Aimed at Its Workers in Africa*, Wall Street Journal (April 16, 2002).

<sup>24</sup> Kahn, Business Day (April 25, 2002).

<sup>25</sup> Seccombe, Reuters NewMedia (April 19, 2002).

2. Anglo should end deadly delays including diversion of scarce resources into substantial treatment feasibility trials and pilot studies (Debswana in Botswana is currently proving the viability of treatment by its implementation of a universal employee treatment plan)
3. Anglo must advocate for low-cost medicines including generic medicines approved under compulsory licenses because of the ongoing refusal of major pharmaceutical companies to offer sufficient, unconditional, sustainable price concession in the private sector.

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