Schumpeter | Sex, drugs and hope

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How big business fought AIDS in South Africa

MOST managers extol the power of positive thinking. At the New Vaal colliery in South Africa, however, workers are urged to "stay negative". This is not because Anglo American, the mining giant that owns the colliery, wants to foster a gloomy attitude among its employees. Rather, it wants them to stay alive.

When Schumpeter visited, the coal mine's top brass were wearing the canary-yellow shirts of the national football team, part of a promotion to encourage employees to take a voluntary test for HIV, the virus that causes AIDS. Around 80% have done so. No one who was HIV-negative last year has turned positive this year. Early testers are often those with the least reason to be anxious about their status; nonetheless, this is promising.

The rate of conversions from HIV-negative to positive is dubbed the "safe-sex indicator". In 2005 it was 2.1 for every 100 staff at Anglo's thermal coal division; so far this year it has fallen to 0.63. Bosses receive a daily e-mail that shows, statistically speaking, "which is the safest mine to have sex", says John Standish-White, an Anglo executive and a champion of its AIDS policy. Managers are judged by it. There is even a trophy for the mine with the lowest score. Any employee who tests positive for HIV is offered antiretroviral drugs paid for by Anglo. So the 17% of Anglo's South African staff with HIV can live a normal life. The firm's big push now is to slow down or stop new infections.

How much has changed. A decade ago South Africa faced catastrophe. The proportion of adults with HIV had shot up from barely 1% in 1992 to 17% in 2002. The drugs that kept HIV-positive people in rich countries alive and healthy were impossibly expensive for most South Africans. Legions were dying. And the country's president, Thabo Mbeki, was promoting the crackpot theory that HIV did not cause AIDS. The story of how apocalypse was averted has many heroes, from health workers to AIDS activists. But big business also played its part.

Some industries were especially vulnerable. Miners were often migrants who lived in single-sex hostels surrounded by prostitutes. Truckers often rested at roadside brothels. Infection spread fast. Skilled workers sickened and slowly died. Two people were trained for each critical job at each mine, so there was a backup if one fell ill. The consequent loss of productivity threatened to destroy the business. Attempts to preach safe sex failed.

Then, in August 2002, Brian Brink, Anglo's chief medical officer, was called in to see the boss, who told him that it was time to change tack. Anglo would provide testing for all employees who wanted it and free treatment for those who tested positive. The firm did not know what this programme would cost or whether it would work. Anglo is no charity but "in the end it was a moral decision," says Dr Brink.

Other businesses followed suit. SABMiller, a big brewer, was one of the first. Its operations were at risk from barley-field to bar: the virus hit the small farmers who supplied its ingredients, the truckers who delivered its beer and the customers who drank it. (People sometimes make unwise choices about sex after a glass or three.) SABMiller offers antiretroviral drugs to its staff. It also dishes out condoms in taverns and trains bar staff to spread the safe-sex message. Hectoring strangers may be ignored, but warnings from peers—such as the buddy who suggests you use a condom as you leave the bar with a new friend—are often heeded.

The results of all this were better than anyone dared to hope. Free drugs gave workers an incentive to get tested, so many did. Thanks to lobbying by activists and improvements in technology, the price of drugs meanwhile plummeted from roughly $10,000 per person per year in the late 1990s to as little as $100 today. Drug firms made their medicines simpler to take: a pill or two a day instead of lots. Corporate AIDS programmes are starting to pay for themselves by cutting absenteeism and staff turnover, not to mention improving morale. Anglo's Dr Brink talks of "turning a disaster into something we could manage".

Positive paternalism

The fight against AIDS has subtly changed the relationship between firms and their workers. Before AIDS, a mine boss at Anglo would worry about rockfalls but feel it none of his business if an employee took risks at home. These days he takes a paternalistic interest in the sex lives of his workers. Managers at SABMiller, too, have formed closer relationships with suppliers and sellers. Since Anglo started monitoring its workers' health more closely it has discovered other problems, such as rising obesity and hypertension, and started to tackle them. Dr Jan Pienaar, who developed the health-care IT system for Anglo's coal unit, jokes about linking it to the cafeteria's turnstiles so that the overweight are guided to the salad counter.

Mining firms have a strong incentive to keep employees healthy, because they are hard to replace. Miners become familiar with the unique geology of the mine where they work. Staff turnover is only 2.4% a year at Anglo. Also, its record in tackling HIV may help it secure the "social licence" to mine in other regions with virulent diseases, such as malaria.

A final pay-off from the corporate fight against AIDS is that it helped to shame South Africa's government into changing its AIDS policy. President Mbeki left office in 2008. The current president, Jacob Zuma, is hardly perfect: when on trial for rape, he said he had showered after sex with an HIV-positive woman to avoid infection. (He was acquitted.) But despite ignorance at the top, the government now offers the 6m South Africans with HIV free antiretroviral drugs if their immune strength drops below a critical level. Such treatment makes carriers less infectious, and so slows the spread of the epidemic. Business has played only a supporting role in this revolution, but an honourable one. ■

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