

“Communicable Diseases and the Corporate Sector.” In *Doing Well by Doing Good: Innovative Corporate Responses to Communicable Diseases*, edited by Susan Hubbard and Satoko Itoh. Tokyo and New York: Japan Center for International Exchange, 2010, 1–27.

Communicable Diseases and the Corporate Sector

As globalization continues to bring people from around the world closer together, more and more attention is being paid to the global challenge of communicable diseases. In the past two decades, AIDS has grown to become one of the most destructive epidemics in recorded history, and billions of dollars have been poured into reducing the spread of HIV infection—the virus that causes AIDS—and prolonging and improving the quality of life of those already infected. Despite the fact that malaria has been eradicated in the world’s advanced industrialized countries, it is still a major threat to communities in much of the developing world, where it is among the major causes of mortality among children under the age of five. We are now witnessing a renewed drive to combat—and even eradicate—malaria by a variety of actors around the world. On top of all of this, we have been forced to come to a gradual recognition that a third major communicable disease—tuberculosis—is still a serious concern in modern times, and the increase in frequency and severity of drug-resistant strains, as well as the respiratory infection’s ability to travel anywhere in the world, have made it a significant global threat, prompting urgent new efforts to combat its spread.

In 2000, the international community agreed to a set of basic goals—the Millennium Development Goals (MDGs)—for achieving minimum standards of life, livelihood, health, and equality in every corner of the world by the year 2015. The establishment of MDG 6—aimed at halting and reversing the spread of communicable diseases—illustrates the widespread recognition of the toll that communicable diseases are taking and the importance of bringing them under control.¹ While significant

1. Specifically, MDG 6 aims to combat HIV/AIDS, malaria, and other diseases and lays out three general targets: (1) have halted and begun to reverse the spread of HIV/AIDS by 2015; (2) have achieved universal access to treatment for HIV/AIDS for all those who need it by 2010; and (3) have halted and begun to reverse the incidence of malaria and other major diseases by 2015. For more information on the MDGs and progress toward achieving them, see the UN’s website: www.un.org/millenniumgoals/.

progress has been made toward achieving MDG 6 in some countries and communities, there is growing concern that others will fall far short of the goal when the 2015 deadline arrives. Many stakeholders are scrambling to come up with new approaches to reaching all of the MDGs, including number 6, realizing that we need to think more creatively about the resources we have to leverage in the drive to achieving them, and sounding the call for “all hands on deck” for the final push and beyond.

The Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund) was established in 2002 as one reflection of the international community’s strong commitment to fighting these three major communicable diseases. Since then, it has committed US\$19.3 billion—raised from governments, corporations, and private foundations—for programs in 144 countries around the world.² However, despite the progress that has been made in the few short years since its founding, there are still approximately 5 million people who become newly infected with HIV and about 3 million who die from AIDS every year. Tuberculosis kills close to 2 million people annually, and malaria causes more than 1 million deaths every year, with 90 percent of its victims in Africa, the vast majority of whom are children under the age of five. While the international response to these diseases is growing, their spread continues to outpace progress made in prevention and treatment, requiring stronger responses from all sectors of society.

There are a number of misperceptions about communicable diseases that have helped fuel the fire and hindered efforts to stem the spread of these diseases.³ There is still a tendency to think of HIV/AIDS as a disease that affects certain high-risk groups such as men who have sex with men (MSM), commercial sex workers (CSWs), and injecting drug users (IDUs). But as the epidemic has grown, its reach has extended far beyond these more traditional risk groups, spreading throughout the general population. In fact, in some countries married women are now the group at highest risk, infected by their husbands who unknowingly pass it on to them. Women are more likely to be infected with HIV than men in some African countries—as much as five times more at risk in some age groups—and the ratio of female-to-male infection rates are rising in many countries where the epidemic is growing, notably in East

2. Figures for Global Fund operations are current as of June 2010.

3. The following discussion of misperceptions of the three diseases is drawn from remarks by Joelle Tanguy, then managing director of the Global Business Coalition on HIV/AIDS, Tuberculosis and Malaria, at an FGFJ symposium on “Corporate Responses to Communicable Diseases” in Tokyo on February 5, 2007.

Asia. It is critical, therefore, that we recognize that the face of AIDS is changing and acknowledge the implications it has for both prevention and treatment programs.

Similarly, many people identify AIDS as an African disease—and indeed the highest rates of infection are still found in Africa—but some of the fastest-growing infection rates in the world are found in emerging markets, such as China, Russia, and Eastern Europe. Prevalence rates in Asia are still much lower than those in Africa, but the larger population sizes in Asia mean that the sheer number of people infected is alarmingly large in some countries. In 2006, there were an estimated 8.6 million people infected with HIV in Asia—roughly 960,000 of whom became newly infected that year—and more than 600,000 people in Asia died of AIDS in that same year.⁴ Ambitious prevention efforts in parts of Asia—most notably Thailand and its 100 Percent Condom Program, aimed at CSWs and their clients—have proven successful in lowering infection rates among certain segments of Asia’s population, but rates continue to climb throughout much of the region. Rates have also begun to rise among new risk groups in countries that have successfully slowed the overall spread of new infection. Sticking with the example of Thailand, infection rates have been climbing rapidly among young girls, who were not a target of the 100 Percent Condom Program.⁵ Treating the growing number of HIV-infected people in Asia is also becoming a major challenge. The number of people in Asia receiving antiretroviral (ARV) treatment more than tripled between 2003 and 2006, reaching an estimated 235,000 people by the middle of the year. But despite the impressive progress, that number still represents only 16 percent of those believed to need treatment in Asia.⁶

Tuberculosis is often thought of as a disease of the past, but in fact infection rates are rising, and it is reemerging as a deadly threat around the world today. The disease is most dangerous in elderly people or people with suppressed immune systems. In most cases, treatment is effective for young, healthy patients, but treatment regimens require patients to take a combination of pills every day for a long period of time—at least six months—and failure to continue treatment contributes to the emergence of deadly drug-resistant strains. Every continent has

4. UNAIDS and WHO, “2006 Epi Update Fact Sheet Asia” (November 21, 2006), data.unaids.org/pub/EpiReport/2006/20061121_epi_fs_a_en.pdf.

5. Interview with Patrick Brenny, UNAIDS country coordinator of Thailand, November 7, 2005.

6. UNAIDS and WHO, “2006 Epi Update Fact Sheet Asia.”

experienced an outbreak of multidrug-resistant tuberculosis in recent years, with some countries experiencing alarming incidences of highly dangerous strains of extreme drug-resistant tuberculosis, sparking fears that tuberculosis could reemerge as a widespread, significant threat even to young, healthy adults.

Malaria is also often considered an African disease. While it is true that the majority of deaths due to malaria occur in Africa, the disease is also widespread and often fatal in Asia. In fact, some of the most drug-resistant strains of malaria can be found in Southeast Asia. As residents of malaria-free areas find themselves travelling to malarial zones more frequently—either for work or pleasure—everyone needs to be aware of the danger of malaria, how to prevent infection, and where to go to receive timely, effective treatment.

There has been a growing recognition that diseases such as HIV/AIDS, tuberculosis, and malaria are not merely public health issues. They are also important economic issues, with dire impacts on economic growth even as they are spurred along by rapid growth and mobility. As goods and people move across national borders with increasing ease, so do communicable diseases. At the same time, as markets become more interdependent, challenges in one country can have dire consequences for markets in neighboring countries and countries halfway around the world alike.

Even those who will never personally become infected with these three diseases are not immune to their impact. The economic, political, and security implications have proven disastrous in countries with high infection rates and particularly in places with high rates of HIV infection, which overwhelmingly strikes people in what should be their most productive years. Loss of productivity due to death, illness, and responsibilities to care for sick family members has already begun to slow economic growth in many African countries. Political debates about treatment and the public sector's responsibility have contributed to political turmoil and further eroded many communities' resilience to other human security challenges. In addition, countries with high HIV infection rates have suffered the loss of military personnel to AIDS, making it increasingly difficult for them to continue to protect their civilian populations.

Estimates of the impact of HIV on a country's gross domestic product (GDP) are difficult to generate, but according to some economists, HIV infection in Africa has likely resulted in close to a 1 percent decrease in GDP growth every year, and some estimate that the number is higher

than 2 percent in countries with infection rates higher than 20 percent.⁷ Similarly, it is estimated that malaria has resulted in annual economic losses of approximately US\$12 billion in Africa and is causing GDP growth to slow by 1.3 percent every year.⁸ All three diseases are already having a profound impact not only in sub-Saharan Africa but also on markets around the world. Asia and other emerging markets are also being hit hard, leading companies to realize that they need to take global approaches to dealing with communicable diseases, focusing on the immediate impact on their employees—affecting a company’s productivity—as well as on the longer-term impact on their consumer bases.

For example, while Japan is fortunate to have low infection rates within its own borders, the country is dependent on workforces and markets around the world that are more directly affected by the spread of communicable diseases. Because most of Japan’s energy and food comes from overseas, disruptions in foreign workforces due to illness will decrease supply and push up prices in Japan. It is important, therefore, that executives and consumers from low-prevalence countries like Japan understand their own reliance on healthy, productive workforces overseas and, by extension, understand why fighting communicable diseases has become their business as well.

This focus on a healthy, productive workforce provides a useful perspective for the evolution of corporate social responsibility in Japan. It is when employers view their employees as important company assets, not charity cases, that fighting the spread and impact of communicable diseases makes clear business sense. When employees need support or care, providing that becomes a business imperative. This is not a new concept for Japanese companies, which have long provided generous healthcare benefits to their workforces.

Helping prevent the spread of disease in the workplace as well as in surrounding communities is one key way for companies to protect their employees. Another important step is providing treatment for those who are already infected and adjusting their workload and responsibilities, if necessary, to accommodate their physical condition. In that way, employers can shift discussions in the workplace on diseases like AIDS

7. United States Agency for International Development, “How Does HIV/AIDS Affect African Businesses?” 6.

8. World Bank, “Malaria: Overview of the Booster Program for Malaria Control in the Africa Region” (Updated September 2009), web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:20912730~pagePK:64257043~piPK:437376~print:Y~theSitePK:4607,00.html.

away from an excessive focus on death and illness and talk more about the individuals who are impacted by the disease so that they can live healthier, more productive lives.

It is important, however, to keep in mind that a person who begins receiving ARV treatment for HIV/AIDS has to continue taking the drugs for the rest of his or her life. The cost per person is high, and given that patients may be able to live for another 40 years with treatment, the potential cost can seem quite daunting for employers. Therefore, it is important that companies analyze the cost of preventing disease compared with that of treating it. Most companies find that the cost of engaging in the fight against communicable diseases—in terms of finances, time, and commitment—is not very significant, but the cost of not doing anything is high. That is obvious if one looks at the countries that have not done anything to address AIDS or where the business response has lagged behind the government response; infection rates in those countries continue to climb.

Insurance companies also need to provide leadership in this area. In countries where health insurance is tied to employment, an HIV-positive person might enjoy sufficient health benefits in one company, but they find that they cannot advance their career by changing companies or even moving overseas because they will no longer be insurable to receive the life-saving treatment upon which they depend.

Japan offers a good example of tuberculosis control based on a clear cost-benefit analysis. More than 50 years ago, companies found that total losses attributed to the disease in terms of lost productivity, the cost of training replacement workers, and so on, exceeded 10 percent of total wages, so they knew that they had to do something to stop its spread and began to do so even before the public sector got involved. Japanese companies started having employees get chest X-rays twice a year to catch and contain cases of active tuberculosis and immediately found that incidences of disease decreased and productivity—of individual companies and of the country as a whole—increased. Because companies were taking strong action to diagnose and prevent the disease early, they were taking some of the burden off of the Ministry of Health, allowing it to focus on other issues and build a strong public health system during the early years after World War II. This allowed companies to expand into dealing with other lifestyle-related diseases, and today the Japanese workforce enjoys high levels of health and welfare.

While these explanations and most of the statistics concerning the economic impact of communicable diseases focus on macro-level effects, the

micro-level economic impact can be utterly devastating. Communicable diseases can devastate households, with any one of these infections causing as much as an 80 percent decline in household income.⁹ The economic impact is particularly severe in poorer communities that do not have adequate access to treatment or safety nets to compensate for lost productivity of sick family members and their caregivers. AIDS, in particular, most often strikes people in their most productive years, so illness or death due to AIDS often means a family loses its key breadwinner. Family income is also lost when healthy members take time off of work to care for sick members or to attend funerals. UNAIDS estimates that there are more than 25 million children around the world who have been orphaned as a result of AIDS, and many countries in Africa are experiencing an appalling rise in the number of child-headed households as a result.¹⁰

WHY CORPORATE ENGAGEMENT?

When the Global Fund was created, the world was already 20 years into the AIDS epidemic, but primary responsibility for fighting AIDS was still seen in many places as lying with the public sector or, more precisely, the public health sector. However, in recent years, multisectoral engagement and cross-sectoral cooperation have grown, and many more corporations have come to view the fight against the spread of HIV/AIDS and other communicable diseases as being in their own interest as well.

The role of governments and political leadership in fighting the spread of communicable diseases cannot be overstated. Many countries where political and governmental leaders responded with denial and accusations regarding the reasons why HIV/AIDS was spreading—and the appropriate responses to dealing with the spread—found that the epidemics in their countries were so far out of their control once they began to acknowledge the need for strong action, that they had become prohibitively costly in terms both of financial resources and of human lives lost. In other countries where strong political commitments were made, such as in Thailand with its 100 Percent Condom Program, there has been a certain level of success in reducing the spread of new infections and in

9. Alan Whiteside, "Poverty and HIV/AIDS in Africa," *Third World Quarterly* 23, no. 2 (2002): 328.

10. UNAIDS, "Children and Orphans," www.unaids.org/en/PolicyAndPractice/KeyPopulations/ChildAndOrphans/.

beginning to treat and care for those who are infected. In short, it is hard to imagine any kind of progress in the fight against AIDS without strong governmental leadership.

Still, the sheer magnitude of the challenge that the world faces as a result of the spread of communicable diseases means that no single sector can be expected to deal with them sufficiently. For example, for Thailand to keep 600,000 HIV-positive people alive with ARV treatment will cost about US\$6 billion per year. Today, people with HIV/AIDS can live for as long as 30 years, which means that the total cost of keeping them alive becomes US\$180 billion.¹¹ Governments, particularly in poor countries that are dealing with many other challenges to the daily survival of their citizens, do not have these kinds of resources. Without support from other sectors, there is no chance that governments alone can win the fight against communicable diseases.

In addition, communicable diseases by nature are closely intertwined with other threats faced by individuals and communities around the world, including poverty, migration, inequality, environmental degradation, and lack of access to education, sustainable food sources, and clean water. As such, they must be addressed in a comprehensive manner that addresses these interlinkages. In other words, a human security approach that includes cross-sectoral partnership and multidisciplinary cooperation to build resilience is essential.

In addition to a recognition of the importance of healthy, happy, and productive employees, many corporations around the world that are actively engaged in the fight against communicable diseases have gotten involved because, as beneficiaries of globalization, they feel a responsibility to help alleviate some of the negative impact of this trend. By helping support the communities in which they operate, these corporations are able to build good will and gain the respect and appreciation of their employees and potential customers and clients, which in turn helps their own bottom line.

On the other hand, there has been more research in recent years on the impact that certain working conditions have on increasing employees' vulnerability to disease. It should be noted that this increased vulnerability is not an inevitable consequence of corporate activities. Corporations have proven that even modest efforts to anticipate potential negative impacts and to proactively address the problem can have significant

11. Comments by Anthony Pramualratana, executive director of the Thailand Business Coalition on AIDS, at an FGFJ symposium on "Corporate Responses to Communicable Diseases" in Tokyo on February 5, 2007.

positive impacts on both the health of their employees and the health of their companies.

For example, large construction projects generally employ young males on a temporary basis, and it is not uncommon for employees to temporarily relocate domestically or internationally for the duration of the projects they are working on. This temporary relocation can put them at risk of HIV infection as they are more likely to engage in commercial sex or drug use to help them deal with the stress and isolation of being away from their families and communities and as they find themselves with some extra spending money. Too often, when they return to their home communities or move on to the next job site, they unknowingly take an HIV infection with them. Clear evidence of this phenomenon has prompted some construction companies and their financiers to incorporate HIV prevention measures into their workplans, such as Taisei Construction did for a large bridge construction project it undertook in Vietnam with financing from the Japan Bank for International Cooperation (JBIC).

In the case of tuberculosis, close quarters in factories place employees at risk of contracting this airborne disease from coworkers. It is, therefore, clearly in the interests of factory owners to control tuberculosis transmission on factory floors and in the communities where their employees live by encouraging testing, assuring employees that they will not lose their jobs if they test positive, and providing treatment so that they can return to work as quickly as possible. Central Azucarera Don Pedro (CADPI), a major Filipino sugar manufacturer, has been engaged in these kinds of activities in the Philippines, where tuberculosis rates are still relatively high.

Malaria often becomes a particular problem for companies in the extraction business. The nature of the industry requires that worksites be established where the relevant natural resources are found, and that often means they are located in malarial zones. Employees who work outdoors in areas where malaria is prevalent risk infection via mosquito bites while they are working, but they are also at risk of infection where they live, often in employee compounds near their worksites. In addition to the impact on individual families, lost productivity due to malaria-related illness has the potential to slow projects down, which increases the cost of the project. Companies like ExxonMobil have found that it is more cost-effective for them to try to protect their employees from malaria infection than to try to deal with the lost productivity due to illness.

Given this context, it has become clear that the corporate sector has an important role to play in the fight against communicable diseases. Not

only is the sector experiencing serious impacts as a result of the spread of disease, but it also has the resources to significantly complement contributions from the public and civil society sectors. Corporations can educate their employees about prevention and stigma, often reaching people who would not be reached by programs implemented by other sectors, simply because they have the authority to require their employees to attend training sessions during working hours. Most corporations are also skilled at public relations and advertising, so they can reach large segments of the population outside of their workforces with compelling messages about prevention and stigma.

Standard Chartered Bank offers a good example of a company that reaches out to its employees through workplace programs and offers prevention education programs upon request to its clients and host communities. M·A·C Cosmetics reaches out to the general public through large-scale awareness-raising campaigns with celebrity spokesmodels, and MTV airs public service announcements and develops other programs to reach out to young viewers. Bayer China uses its core competency in communications to help educate media professionals on HIV prevention and stigma so that they can explain the epidemic in a balanced fashion to a wide audience.

Companies also have financial resources and business skills that can be applied to prevention and treatment campaigns. Most of the companies profiled in this volume—and many others that are not included in this study—make direct financial contributions to organizations dealing with communicable diseases. Chevron, for example, is the largest corporate donor to the Global Fund, having committed US\$25 million to its Corporate Champions Program. ExxonMobil has become a major funder in the campaign against malaria, supporting efforts aimed at eradicating malaria and mitigating its effects. M·A·C Cosmetics has set up the M·A·C AIDS Fund to support grassroots service provision and advocacy initiatives, financed entirely by revenue from a dedicated line of lipstick and lip gloss.

In countries with low levels of infrastructure development, the supply and distribution networks that companies have developed can play a vital role in getting information and life-saving medications to hard-to-reach populations. Coca-Cola, for example, arranges for distributors carrying its beverages to rural areas to also carry prevention education materials for NGOs. While this does not add anything to the company's transportation costs, it provides an invaluable service to organizations that otherwise would not be able to reach these remote locations.

Companies have also found that the products and services that they sell can be used in the fight against communicable diseases. Sumitomo Chemical, for example, was already making insecticides when it discovered that it could also create a new kind of longer-lasting bed net, which has proven to be one of the most effective tools for preventing malaria transmission in developing countries. It has since started to transfer that technology to countries with high malaria disease burdens so that they can produce more nets than could be produced in Sumitomo Chemical's existing facilities and help boost the local economy at the same time.

Finally, corporate leaders have a unique role to play as respected members of their communities. One of the biggest barriers to fighting the spread of AIDS and tuberculosis has been the stigma associated with these diseases and the fear of isolation or loss of employment. This prevents them from getting the treatment they need and from taking necessary steps to avoid spreading their infections to others. But, when corporate leaders make a public show of solidarity with those affected by these diseases, as the CEO of Levi Strauss did when he decided to personally hand out pamphlets on AIDS early in the epidemic, they send a strong message that AIDS is something that can be talked about openly and civilly in the workplace. Similarly, when CEOs of several Standard Chartered Bank branches publicly announced that they had taken HIV tests, they set an important example for their employees and peers that no one should consider themselves exempt from risk.

HOW COMPANIES GET INVOLVED

Every company has its own unique reasons for getting involved in the fight against communicable diseases and its own unique process for making that decision, but one theme that was repeated in every interview for this project was the vital role of leadership. In most of the cases, either the top leadership of the company or top leaders in an overseas branch recognized the threat posed by communicable diseases and decided to take bold action. In cases where it was company medical personnel who first recognized the importance of corporate engagement, such as in the case of Anglo American, their first task was convincing their bosses not only to allow their companies to get engaged but to take ownership of the process and make engagement in the fight against communicable diseases a core value of the entire company.

In some cases, the initiative came from overseas branches in hard-hit areas where managers found they had no choice but to deal proactively with communicable diseases because of the impact on their workforces. Companies were losing employees and experiencing high levels of absenteeism as sick employees stayed home and others had to miss work either to take care of sick family members or to attend funerals. They found they simply could not operate without a healthy workforce. Toyota and DaimlerChrysler are two companies that followed this model, driven by the impact of high infection rates in their plants in South Africa.

In other cases, companies chose to engage in the fight against communicable diseases because they found, particularly in the AIDS epidemic, that the target populations for their products and services were the same populations that were being hit hard by the epidemic. AIDS quickly became a very personal issue for these companies, but it also became a business imperative, as they needed to find a way to protect those people who constituted their market. This was the case for M·A·C Cosmetics and MTV, both of which got involved early in the United States, where the creative communities were initially among the most vulnerable to infection. MTV has been particularly well placed to raise awareness because of its ability to speak to young people, who are at high risk of infection but who are also difficult for other stakeholders to reach.

For some companies that did not have as visible a stake in the fight against communicable diseases, firm decisions by their CEOs and other top executives led to bold public engagement. Levi Strauss and Standard Chartered Bank are two such examples. While no company is immune to the effects of communicable diseases, neither of these companies were plagued with the devastating economic effects experienced by companies whose workforces or markets comprised the most vulnerable populations. Still, they quickly recognized the broader societal impact of AIDS in their communities and their own leadership potential in this area.

For other companies, interest grew out of work they were already doing that eventually led them to become engaged. For example, when Sumitomo Chemical began developing its long-lasting insecticide nets, its aim was to expand its existing technology into new products that it could market, not to become a major player in protecting people from malaria. It was only when it began to see that added benefit of joining this global fight that it combined its expertise in chemicals with a focus specifically on preventing malaria transmission. Similarly, APCO, a global public affairs and communications company, had never been involved in work related to HIV or other sexually transmitted infections until it

was commissioned to do a marketing study on condoms, which opened employees' eyes to the important role that condoms can play in protecting people from a range of dangerous infections.

Companies cannot survive unless they are able to sell their products and services to people. This requires providing quality goods and services that fulfill some kind of need or desire in people's lives, but it also requires having a name that people recognize and respect. None of the companies in this study got involved in the fight against communicable diseases simply as a means of improving their public image, but they all found that their activities are good for their corporate reputation and help them stand out among their competitors rather than hurting their image. In addition, most of the company representatives who were interviewed for the project explained that the attention they have received has helped make them more attractive not only to consumers but to prospective employees as well.

Many of the companies included in this project got involved partly as a way to give back to the communities where they operate, particularly those with large overseas operations. ExxonMobil, for example, found it important to expand its programs beyond its own employees and their families. This is in part because malaria—like other communicable diseases—does not discriminate, putting employees at risk when the incidence in their communities is high. It is also because the good will that they develop as a result of their community involvement makes it easier for them to carry out their business activities, often in ways that are impossible to quantify. In the case of Standard Chartered Bank, which already provides valuable financial services in communities around the world, profits are ultimately sent back to the UK, but the non-monetary investments that the company makes in its host communities through its training and awareness-raising activities help make it a more welcome presence. For Taisei's bridge construction project in Vietnam, it was the public-sector financing agency, JBIC, that urged the company to include an HIV-prevention component in its business plan in response to concerns that other JBIC-supported projects might have unwittingly contributed to the spread of HIV infection in other project locations.

While it is not uncommon for an initiative to begin in an overseas office where the impact of disease has been more widespread and severe, that experience still needs to be taken back to headquarters so that top executives there are aware of the urgency of the problem and can begin to institutionalize a response throughout the company—not just in one or two branches—so that engagement in the fight against communicable

diseases becomes a part of the company's culture. This can be a difficult task, particularly when executives in corporate headquarters have largely been shielded from witnessing firsthand the devastating effects of communicable diseases and, importantly, the positive business impact of even modest investments in the fight against them. International companies like DaimlerChrysler and Standard Chartered Bank eventually translated their experience fighting AIDS in certain overseas branches into company-wide policy, developing workplace programs and training curricula that apply to their employees around the world. Others, including Toyota and Taisei, are at earlier stages in their efforts to institutionalize their engagement in the fight against AIDS at headquarters, and more will need to be done to expose top decision makers to the threats their companies face and to their potential as corporations to reduce risk.

TYPES OF INVOLVEMENT

The companies profiled in this study have all taken their own unique approaches to dealing with the challenges of communicable diseases in their workplaces, their markets, and their communities. As pioneers, they have had to carve out their own paths, and as diverse companies they have had to find solutions that are appropriate to their own sectors, needs, resources, abilities, and cultures.

That said, their initiatives can be broadly categorized into six types of activities, discussed below. Most of the companies have engaged in one or more of these activities, either simultaneously or at different periods in time. This is by no means an exhaustive list of the types of activities that companies around the world engage in to fight the spread and impact of communicable diseases, and in the future companies will no doubt come up with new, innovative approaches that have yet to be witnessed.

Workplace policy

One of the first steps many of the companies took when they recognized the toll that communicable diseases were taking on their employees was to develop explicit workplace policies to articulate top management's expectations for how the diseases should be viewed and dealt with in the workplace. Recognizing first and foremost that all employees should be treated as human beings, regardless of their health status, most HIV/AIDS and tuberculosis workplace policies begin with statements of

nondiscrimination against employees who are infected or suspected to be infected. HIV/AIDS workplace policies generally denounce mandatory testing but strongly encourage voluntary testing as a way for employees to both know their own risk of spreading infection to others and receive timely treatment if they test positive, increasing their chances of remaining healthy and productive for a longer period of time. Policies also put in place systems for ensuring that test results are kept confidential unless an employee chooses to disclose his or her infection status.

CADPI's workplace policy on tuberculosis assures employees that they will be able to return to work as soon as it can be confirmed that they are no longer contagious, provided they continue taking their prescribed drug regimen. In the case of malaria, though, which does not carry the same stigma as AIDS and tuberculosis, ExxonMobil's workplace policy requires all non-immune staff in malaria-endemic areas to take prophylaxis against infection and mandates that any employee who exhibits symptoms of malaria get tested so that he or she can begin treatment immediately if infected, which has been proven to reduce malaria's severity and the likelihood that it will be fatal.

Workplace prevention and treatment programs

In addition to these policies, many of the profiled companies have developed workplace programs aimed at preventing infection in their employees and keeping those who are infected alive, healthy, and productive for as long as possible. Recognizing the high cost of treating employees with HIV/AIDS, many of the programs emphasize activities aimed at preventing new infections. Some companies incorporate sessions on the prevention of HIV/AIDS, tuberculosis, or malaria into their training programs for new employees, who tend to be large, captive audiences. They also provide ongoing prevention education to current employees through regular training sessions, awareness-raising events, and forums for confidential inquiries.

Reducing stigma and discrimination surrounding HIV/AIDS and tuberculosis does not only protect the rights of infected employees; it also helps prevent further spread by making people feel more comfortable with testing because it increases their confidence that they will be treated the same by their colleagues regardless of the test results. Therefore, prevention education activities inside companies generally include strong components aimed at reducing stigma and discrimination. One method that some companies have found effective has been the inclusion of

HIV-positive trainers in educational sessions so that their employees can see that people living with HIV are people, just like they are.

As mentioned above, early detection of HIV, tuberculosis, and malaria helps decrease the chances that infection will be passed on to others and improves the prognosis of those who are infected if they commit to timely and appropriate treatment. Workplace programs therefore also focus on encouraging testing. In the case of malaria and tuberculosis, the emphasis is on teaching people how to recognize symptoms, where they can go to get tested, and what can be done if they test positive. In the case of HIV, the emphasis is on encouraging everyone to get tested even in the absence of any symptoms. Some companies provide testing facilities within the workplace, making it easy for employees to get tested. These companies have had to carefully craft their programs to assure employees that the results of their test will be kept confidential. Many companies also help their employees get tested off-site in order to further assure confidentiality. DaimlerChrysler even goes so far as to provide financial incentives to local clinics in South Africa to offer testing services to its employees, their families, and others in the community.

People with HIV can live healthy, productive lives for decades after infection, thanks to the emergence and availability of ARV drugs. However, companies have had to recognize that employees living with HIV/AIDS are still likely to face health challenges from their infection as well as from the drugs' side effects. Therefore, instead of terminating employees who are no longer physically able to carry out their assigned duties, some companies have developed programs for reassigning tasks for HIV-positive employees—as needed and as deemed reasonable—in the same way that they make accommodations for employees facing any other health challenge.

Finally, despite the high cost of providing ARV treatment, many companies have found that it still makes more sense—from a business as well as moral standpoint—to ensure that their employees are treated than to lose them due to health-related reasons. Some companies with on-site medical facilities offer treatment in the workplace, although they have had to take precautions to assure confidentiality. Others contract with outside clinics and insurance schemes to make sure that ARV and other treatments are available to all their employees who need them.

Core competencies

Core competencies refers to those things that a company does best. A company's core competencies include the obvious things, such as the

product or service that it sells, as well as the less obvious things, such as the skills that its employees have developed in order to produce a product or perform a service and the structures that it has put in place to conduct its business effectively. Several of the companies included in this study have lent their own core competencies to the fight against communicable diseases.

Sumitomo Chemical is a good example of a company that has chosen to leverage one of its products—insecticides—in the fight against malaria. By weaving the insecticide into the bednets that it produces, Sumitomo Chemical was able to produce a revolutionary tool for preventing malaria-spreading mosquito bites in endemic areas. MTV's primary audience as a company is youth aged 13 to 25, and it has leveraged its ability to reach out to this demographic around the world to raise awareness of the risk of HIV infection, encourage safe behavior, and break down the stigma and discrimination associated with infection.

Other companies have leveraged core competencies that are less obvious. Bayer China, for example, develops and produces pharmaceuticals, but it has found that it has a different asset that is invaluable in preventing HIV infection: its ability to reach out to the general public to assess needs, market products, and provide health-related information. Recognizing the key role of the media in educating the general public about HIV prevention and in eradicating stigma, Bayer China has developed a program in partnership with a local university to provide training to journalists with an interest in health-related issues. Standard Chartered Bank leveraged its vast network of corporate clients to offer training-of-trainer sessions on HIV/AIDS to representatives of client companies so that they could in turn provide training in their own workplaces. Coca-Cola and its corporate partners bring beverages into some of the most remote communities around the world, and they have leveraged that distribution capacity to deliver condoms and educational materials in areas far beyond where others can reach.

Extension of programs and policies

For the most part, the diseases in question are not spread in the workplace during working hours or as a direct result of particular business activities of the companies examined in these studies. Instead, they are generally spread in the communities where employees live, which is only sometimes directly determined—notably in the case of construction projects and extraction industries—by the nature of the work. Therefore,

if employers want to protect their own employees from infection, they cannot ignore the people with whom their employees live and interact on a daily basis. This realization led some of the companies to expand the programs they had developed for their own employees to also cover the communities where their employees live. In the case of Taisei, for example, this meant providing condoms and HIV prevention training to neighboring women working in the commercial sex industry. In the case of CADPI, DaimlerChrysler, and Anglo American, it meant ensuring that people living in communities surrounding their workplaces had the same access to prevention and treatment services that their employees had. Coca-Cola is a unique case because most of its product is assembled and sold by bottling companies in the “Coca-Cola system” that are independent companies. The company decided to expand its program to provide HIV prevention education and ARV treatment to the employees and dependents of all 40 licensed bottlers in its African network.

Volunteerism and philanthropy

In addition to expanding their programs to the surrounding communities, most of the companies are also engaged in more traditional methods of supporting their surrounding communities. Some companies offer incentives to their employees to volunteer their time for various causes, including stemming the spread and impact of communicable diseases. Standard Chartered Bank has a company-wide policy of allowing every employee to take two additional days off per year to do volunteer work related to blindness or HIV/AIDS, the two social issues on which the company places priority. Many of the bank’s employees in Thailand have chosen to use that time to conduct HIV training sessions and testing campaigns in nearby communities. Levi Strauss has institutionalized its commitment to volunteerism through its Community Involvement Teams, which are encouraged to volunteer with organizations in their communities, and all of the apparel company’s employees in the United States are given five hours of paid leave every month to perform volunteer activities.

Other companies have chosen to form partnerships with local NGOs that provide services for their communities. Not all of the companies have the necessary ties to reach out to the vulnerable populations in the communities where they operate, and few of them actually have the in-house expertise to provide training and services even if they do have appropriate ties. These companies have come to depend heavily on NGOs, which do have both strong connections to communities—particularly

high-risk populations—and relevant expertise to implement programs outside of the company's walls.

Finally, many of the companies provide more traditional philanthropy by making grants to organizations active in the fight against communicable diseases. Some have set up grant-making foundations to support local NGOs and other organizations. Coca-Cola's foundation in Africa also provides funding to the company's bottling partners so that they can establish their own programs to provide training and ARV treatment to their employees. M·A·C Cosmetics has developed a unique program whereby the entire selling price of one of its lines of lipstick and lip gloss is donated to organizations through the M·A·C AIDS Fund.

Leadership by example

Corporate executives often find that people look up to them for guidance, both professionally and personally. Employees who want to move up in their companies and industries look to their bosses for hints as to what kind of efforts and behavior are valued and rewarded. Executives in other firms look to the leaders of successful corporations to learn lessons for improving their own business practices. Others in their communities often see successful businessmen and women as natural leaders outside of the workplace. It is no surprise, then, that everyone interviewed for this project talked about the crucial role of leadership in getting and keeping their companies engaged in the fight against communicable diseases.

In many cases, having the top executives talk comfortably about communicable diseases has helped reduce stigma, particularly in the case of HIV/AIDS, setting an example for other employees that not only is it a subject that can be discussed openly, but it is important enough to warrant the time and attention of busy executives. For companies that rely on volunteer peer educators to implement programs in their workplaces and communities, recognition and encouragement from their bosses have proven helpful in motivating employees to take on these additional duties, which lie outside of their formal job descriptions. In addition, executives from some companies decided to publicly get tested for HIV, demonstrating to their employees and others in the community that HIV is a threat to everyone—not just certain marginalized populations—and that getting tested is an important step in combating its spread.

That leadership role does not stop in the workplace. Corporate leaders have also been important advocates for strong commitments to fighting the spread and impact of communicable diseases well beyond the confines

of their own companies. Many of them leverage their own experiences to encourage others to engage as well, talking about the benefits their companies have realized as a result of their active engagement. The Global Business Coalition on HIV/AIDS, Tuberculosis and Malaria offers one major platform for leaders of companies active in the fight to reach out to their peers in the business community, and top executives in some of the companies profiled in this volume have been very prominent within that network. Some business leaders are frequently invited to speak about their own experiences in other forums, and they have found that by speaking out they can help influence not only other companies but also policy regarding communicable diseases in the countries where they operate.

BUSINESS IMPACT

While many people agree that helping fight the spread of communicable diseases and mitigate their effects on people around the world is the right thing to do, it is important to remember that corporations have a responsibility to their shareholders and other stakeholders. Therefore, it is only natural that they need to make a strong business case for why their engagement first and foremost helps to further the goals of the corporation. The cases examined in this study offer no shortage of explanations of the business case, some more visible and quantifiable than others.

For companies that depend on large workforces in areas with high infection rates, it quickly became clear that something had to be done about the rising rates of HIV/AIDS, tuberculosis, and malaria that were eroding their workforces. Companies that have implemented strong workplace programs have found that the programs save them money in the long run because they help to reduce absenteeism and employee turnover, both of which have direct effects on a company's productivity and training costs.¹² Some of the companies have also found that associating their brand with the fight against communicable diseases has gained them a larger and more loyal consumer base, as customers increasingly take the impact of

12. See, for example, Frank G. Feeley III, Sydney Rosen, and Patrick J. Connelly, "The Private Sector and HIV/AIDS in Africa: Recent Developments and Implications for Policy," in *The Changing HIV/AIDS Landscape: Selected Papers for the World Bank's Agenda for Action in Africa, 2007–2011*, ed. Elizabeth L. Lule, Richard M. Siefman, and Antonio C. David (Washington DC: International Bank for Reconstruction and Development/World Bank, 2009).

their choices as consumers—both positive and negative—into account as they choose how and where to spend their money.

Companies also cited rewards that are harder to quantify in terms of their impact on the company's bottom line, and many of them were unintended consequences of their programs. High employee morale was one such reward, with Standard Chartered Bank and M·A·C Cosmetics discovering that their HIV/AIDS programs were among the top reasons why young people were attracted to the company to begin with and a reason why they were proud to continue working there. Strong commitment to the fight against communicable diseases has also been an important asset for companies in their relationships with the communities where they operate, particularly those in industries that face criticism and accusations of only taking away from these communities without giving anything back.

PARTNERSHIP

While there is growing recognition of the important role of corporations in fighting the spread and impact of communicable diseases, as described throughout this volume, it also needs to be noted that corporations are not a “silver bullet” in that fight.¹³ No single sector can deal with challenges of the magnitude of communicable diseases on its own, and it is only by accepting that lesson and applying it to the way the different sectors interact that any sustainable progress can be made in the fight against communicable diseases.

The public sector is still the largest actor in the fight in much of the world, but it has become clear that governments do not have sufficient resources to tackle the problems alone. Even if they did have unlimited financial resources, though, they would still need the help of other sectors. While part of any government's role is to provide valuable services to the people living within their borders, people working in the public sector are still often far removed from the communities they serve. Government employees often do not have the daily interaction with their constituencies that corporations do, and they often find some of the most vulnerable populations—CSWs and MSM—difficult to reach because of legal issues, social and political taboos against discussions about sex, as

13. This point was reinforced in the third Global Compact Leaders Summit in June 2010. See United Nations Global Compact Office, *Coming of Age: UN-Private Sector Collaboration Since 2000* (New York: UN Global Compact, 2010), 6.

well as a lack of trust. Corporations make important contributions to the fight, but they are still limited in what they can do because they have a responsibility to their shareholders and cannot undertake activities that they know will be bad for business. While NGOs have access to some of the key populations in the fight, possess technical expertise in the field, and often enjoy more flexibility and autonomy, they generally lack the financial and human resources needed to fight communicable diseases on their own.

Partnership, therefore, is a key to winning the battle against communicable diseases, and all of the cases presented in this volume include some type of partnership developed to meet program goals. In each, partnerships have been successful to some degree because the parties share a common overriding goal and understand the important strengths that each brings to the table.

In countries with weak infrastructure, companies were already developing on their own the infrastructure that they needed to carry out their business activities long before they became engaged in the fight against communicable diseases. This has proven to be a valuable asset as they have expanded their activities to engage in the fight. For example, Coca-Cola partners with NGOs in hard-to-reach areas to distribute condoms and educational materials on HIV/AIDS using the company's delivery network throughout Africa. Similarly, corporations in the Philippines lend their logistics management skills and their distribution systems to local health centers to help distribute drugs for tuberculosis treatment that require the same careful temperature-controlled transportation that some food and beverages do. In Tanzania, Unilever Tea agreed to provide non-employees in one community where it operates with access to its company clinic in exchange for government provision of ARV drugs to both employees and non-employees using the clinic.

Corporations also offer an ideal venue for training and awareness-raising programs since they generally have a more captive audience than governments or NGOs. While actors in the public sector and civil society cannot require that people take part in training programs, corporations routinely offer mandatory training sessions to their employees in order to boost performance. By integrating modules on communicable diseases into such training sessions, they are able to reach large segments of the population who might not have chosen to attend a training session if it were held by government agencies or NGOs. Corporations, on the other hand, routinely offer mandatory training sessions to their employees in order to boost performance, and by integrating modules on communicable

diseases, they are able to reach large segments of the population who might not have otherwise chosen to attend training sessions by government agencies or NGOs.

In countries that already have established national programs for dealing with communicable diseases, companies might take on the role of informing their employees about those services and helping them gain access, but they depend on the public sector to actually provide the services. Helping their employees use these government services not only saves companies the expense of having to provide their own testing and treatment services; employees are also often more comfortable accessing services outside of their workplaces where they feel more confident that their serostatus will not be revealed to their coworkers, an important precaution considering that the stigma and discrimination against people with HIV is a major impediment in the campaign to convince people to get tested and seek treatment if necessary.

Corporations in many industries, as well as many government agencies, lack the technical expertise needed to provide services accurately and effectively, and it is in these cases that NGOs play a crucial role in project implementation. As mentioned above, NGOs can also often reach vulnerable populations, including those working in the informal sector, more effectively. In addition, NGOs have successfully brought people who are infected or affected by a communicable disease into their training programs to talk openly about their own experiences as a way to expose trainees to the day-to-day realities these people face, as well as to break down some of the stigma by putting a human face on the diseases.

Finally, while none of the companies in this study cited positive publicity as their primary reason for engaging in the fight against communicable diseases, most have found that positive attention is an important by-product of their efforts. Partnership with NGOs and government agencies often helps bring attention to the work they are doing, making it known well beyond the company walls.

Despite these strong reasons for each sector to work in partnership rather than on their own, partnerships are not always easy to form, and a number of factors need to be taken into consideration. First, there needs to be a clear understanding of why it is in each sector's interests to be engaged. There is most likely an overall shared goal of saving lives in their communities and preventing the threat of communicable diseases from growing further, and that goal needs to be articulated and confirmed by all parties. But there also needs to be an acknowledgement that each party has other objectives, all of which are important and need to be

respected by the other parties, even if they do not necessarily share those objectives. Each party also has different ways of defining and measuring success, and it is helpful if they all understand what this is for the others from the outset so that determinations of success are less likely to be challenged down the road. Second, there needs to be a common understanding of each party's relative strengths and weaknesses and an appreciation for the strengths that each party brings to the table. This helps address the third consideration, which is a clear division of labor. Corporations, governments, and NGOs have different approaches to how they operate, and those approaches are more likely to come into conflict in the absence of a clear division of labor established in the planning stage of the partnership.

CHALLENGES

The cases presented in this volume were chosen because they are among some of the most successful examples of corporate engagement in the fight against communicable diseases from around the world. Still, they have not been immune to the many challenges that corporations face in their engagement.

One of the first challenges that corporations face is gaining a clear understanding of communicable diseases, partly because of the misperceptions outlined above. In the case of HIV/AIDS, it is still common for employers to think that if their employees do not fit into one or more of the traditional high-risk populations—CSWs, MSM, IDUs—then they are not really at risk. Similarly, since infection rates are highest in Africa, people tend to think that they do not face any particular risk if they reside outside of the continent. Since people infected with HIV do not exhibit any outward symptoms for years after infection, employers have few mechanisms for understanding how many of their employees are infected or at risk. On top of that, there is still a lack of good data on the impact that communicable diseases have on any individual business.

A second challenge companies have faced deals with the scope and endurance of communicable diseases. Particularly in the case of AIDS, treatment requires a sustained commitment and significant financial resources for decades to come in order to provide treatment to everyone who needs it and will need it in the future. For many corporations this reality makes provision of ARV to employees—let alone their families and others in the surrounding community—too overwhelming to even

begin. This is a challenge that is not unique to corporations. With other competing challenges around the world, it is difficult to maintain the interest that has been built in fighting communicable diseases. As treatment becomes more easily available, people lose their sense of urgency and tire of hearing about prevention, a complacency that leads to resurgence of risky behavior.

At the political level, it is already proving difficult to keep communicable diseases prominently on the global policy agenda, so it is only natural that it would be equally challenging to keep it high on any one company's agenda. As new leadership comes into a company, they often want to make their own mark by making a commitment to a new field rather than just continuing the work of their predecessor. Furthermore, during economic downturns, companies that lose profits have to cut costs, and it becomes more difficult to justify preserving programs that are not explicitly aimed at generating revenue. Some companies have tried to address this challenge by institutionalizing their efforts aimed at fighting communicable diseases in order to shield them from these trends. For example, MTV assembled a small team within the company that is dedicated solely to working on AIDS-related programming, ensuring that members of that team do not get sidetracked by other emerging duties. Other companies set up foundations with explicit mandates to contribute to the fight against communicable diseases in order to give more sustainability to their efforts.

Third, as discussed above, companies found that they could not effectively address communicable diseases among their employees if they limit their programs to people inside the company. While employers have some control over how their employees behave in the workplace, they cannot control what they do on their own time. Further, they could make training for employees compulsory, but they could not do the same for others in the community. Therefore, they have had to find new, creative ways to reach out to the community, and this is one area in which NGOs have become invaluable partners for some of the corporations.

Fourth, also discussed above, there was not always agreement between headquarters and overseas branches about the need to invest in the fight against communicable diseases. For managers working in branches in hard-hit countries, it was impossible to ignore the toll that communicable diseases were taking on employees and markets, so it was relatively easy to understand the need for engagement. But, for those who have never witnessed the devastation firsthand, it is more difficult to comprehend the impact of communicable diseases on a company's productivity and,

therefore, difficult to understand the business case for investment in the fight against the diseases. Without a company-wide commitment to communicable diseases, it is difficult to take lessons learned in an overseas branch in one hard-hit country to another overseas branch of the same company in a country at risk of being hit hard in the future.

Fifth, stigma associated with HIV/AIDS and tuberculosis and taboos against talking about some of the behaviors that result in HIV transmission—sex and drug use—can make it difficult to convince people of the appropriateness for corporations to deal with communicable diseases. Since it is often behaviors outside of the workplace that lead to infection, it is not always easy for corporate executives to convince their colleagues that it is still the company's business to keep their employees and markets healthy. Better forecasting on the potential negative impact of communicable diseases, as well as more data on the actual business impact that these kinds of programs have on a company's bottom line might provide executives with strong rationales and help them overcome this hurdle more easily.

This leads to the final challenge: measuring impact and evaluating performance. Evaluation is an important tool for companies to use in determining the value and appropriateness of what they are doing. Progress on communicable diseases, however, is difficult to measure and assign value to. Measuring the impact of prevention requires looking at what did not happen rather than what did happen, and it often depends on estimates of what would happen without an intervention as reference points rather than actual events.



This volume offers a glimpse of 12 companies that have taken bold initiatives to address one of the most significant current global challenges. They are by no means the only companies that have made significant commitments; rather, they were chosen for their diversity of experience, location, culture, and industry. These and other companies have become engaged despite the major challenges discussed here, and by testing out new ways to overcome the challenges, they have helped open new paths that allow other companies to engage as well. They have taken on the fight against communicable diseases both because it is good for business and because they see it simply as the right thing to do. They recognized that they, as corporations and as people within those corporations, have the vast resources, skills, expertise, access, and drive to make a contribution,

no matter how big or small. Despite the progress that has been made over the past decade in the fight against the three major communicable diseases, HIV/AIDS, tuberculosis, and malaria all still pose serious threats around the world and have the potential to become significantly worse before they get better. Meanwhile, new communicable diseases continue to emerge, reminding us that this is a long-term battle that we are only beginning to understand. This problem is not going away, but creativity and dedication around the world are critical to our efforts to mitigate the effects of communicable diseases, and everyone has a role to play in those efforts.