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The inequality pandemic: overturning the concentrations of wealth and power

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#### Introduction

It is a great honour to give this keynote at the Southern Centre for Inequality Studies.

We are besieged by poverty, patriarchal violence, planetary emergency, and pandemics. Many people rightly sense that these crises are not coincidental; that they are, in fact, interconnected.

The weight of the crises can feel unbearable—and, indeed, the solution, of course, is not that humanity should learn to bear them.

That's why the dynamism of students at Wits and the Southern Centre is so inspiring—not only for your academic contribution, but for your activism too. You students are challenging power, privilege, and complacency. That is how the greatest steps forward in tackling inequality are taken. I salute you.

It is my privilege to lead the United Nations' response to HIV and AIDS—most especially because it means I get to work with inspirational activists demanding justice. We have forty years of information, analysis and rich experience to draw from—of breakdowns and breakthroughs, of finding pathways through.

I use the term "the inequality pandemic" for three reasons.

Firstly, because the damage wrought by the COVID-19 and HIV pandemics is not the result of the viruses alone, but of how they make space in, and expand, the fissures of our unequal society.

Secondly, because extreme inequality too is a kind of pandemic—unless it is stopped, it widens inexorably, and hurts us all, and it can only be beaten if we take it on together worldwide.

Thirdly, because the lessons from fighting pandemics have so much to teach us about how we can overcome the inequality crisis.

There have of course always been, and will always be, some differences in what one person earns compared to another; but the extreme inequality we face today is not the same as the differences that occur in stable societies. It is obscene, it is dangerous, and we must fight it.

During this pandemic, global billionaire wealth has increased by \$5.5 trillion (that's in this period alone!) while 160 million more people have gone hungry. Let's be clear though—the COVID-19 emergency did not start this extreme inequality crisis. It was already here.

The richest 1% had already captured the majority of the world's wealth.

26 billionaires already owned the same wealth as the poorest half of world, 3.9 billion people—just 26 people, who could fit into a little bus, already owned as much as half of humanity.

Between 1988 and 2011, a period of over 20 years, the annual incomes of the poorest 10% increased by only 65 dollars each. The richest 1 percent grew their income by almost 12 000 dollars each.

The principal problem of extreme wealth isn't the ability of a few to buy a big mansion or buy a yacht. It's about the ability of a few to buy elections, to buy a pliant media, to buy favourable laws or impunity from justice.

Because extreme inequality is complex, we need a multidimensional exploration to fully understand how people experience it: various axes of inequality—capitalism, racism, patriarchy, and many more—come together to crush people at their intersections.

We see the intersectional dimension of inequality in the United States of America, the richest country in the world.

In the US, black gay men have a 1 in 2 risk of contracting HIV across their lifetime. This is a higher lifetime risk than the average in Uganda, my poor country, and is almost as high as the risk in hot spot countries such as Zimbabwe and South Africa. Also in the US, a black child is twice as likely to die in their first year than a white child. In fact, black children in the United States are more likely to die before their first birthday than children in Libya.

And we see the intersectional dimension of inequality in Africa, too.

Of the 10 most unequal countries in the world, 7 are here in Africa. According to Piketty, South Africa is the most unequal country in the world—not surprising given the legacy of apartheid.

6 out of 7 of adolescents newly acquiring HIV across our continent are girls. 4200 African adolescent girls and young women are acquiring HIV every week, a crisis driven by their unequal power.

Extreme inequality is a key part of why our world was so vulnerable to COVID-19 and why collectively we failed to respond effectively to a global health emergency. A viral outbreak does not have to become a global pandemic and an economic, social and political crisis. It didn't need to come to this.

With reference to my experience fighting the HIV and COVID-19 pandemics, I will share three reflections on what I've called the pandemic of extreme inequality.

First, the enormous human and economic costs of extreme inequality.

Secondly, that extreme inequality is not fate. It is a choice we make, it's a choice we can unmake.

And third, that we can only overcome extreme inequality through organizing, led by the people living at the intersections of it.

Let's look now at each of these in turn.

### Extreme inequality has an enormous cost

Across the world over the past 40 years, a tiny few have triumphed over the rest of us, and governments have helped them to do so. The rise of inequality and the receding of democracy have gone together. Public policies do not respond to the needs of people.

Even before the COVID-19 emergency, around the world, ten thousand people were dying every day because they could not access health care.

Two thirds of African countries have been charging user fees for health at all levels, refusing life-saving care to those who cannot pay up.

The indignity of seeing a woman, who has heroically delivered a child, tied by a hospital to her bed, as they are demanding money from her family; captive until she pays to leave the hospital.

Dead bodies captured in mortuaries, families not allowed to take their dead to bury, until they find the money to pay up to hospitals.

We learned a painful lesson in the AIDS response from the mid-90s to early 2000s. For ten years, after antiretrovirals were used successfully in the global north, people in the global south couldn't access them, because of the high price. When HIV drugs first came into being they cost about 10 000 dollars per person per year, because production was monopolized by a handful of companies. 12 million people died, most of them on our

continent here, before the prices came down. Today high-quality HIV treatment is just 75 dollars per person a year, because production was opened up to enable generics. That is how millions of lives were saved.

But inequalities still drive HIV and AIDS.

New long acting injectable ARVs, which are available in the North today, are not being provided to our people here in Africa, because a few companies are still monopolizing that production. An injectable that someone could take for 6 months could save the lives of young women who are afraid to come forward to get treatment, or of gay men who are hiding from punitive laws, such as in my country.

Worldwide, the use of poor quality health services results in close to 600 people dying every hour. This is the equivalent of 4 Boeing 747 flights fatally crashing per hour.

Extreme inequality is at the heart of the climate crisis too. As UN Special Rapporteur on Poverty and Human Rights Philip Alston wrote, we risk a "climate apartheid" where the wealthy pay to escape overheating, hunger and conflict, while the rest of the world is left to suffer a crisis driven by the rich.

And now let me turn from climate apartheid to what President Ramaphosa has called vaccine apartheid.

Globally, over 100 million dollars of taxpayers money was given to private companies to deliver a vaccine for the COVID-19 virus. But they immediately privatized the profits from the public investment. Why? Because they can, because the rules of a broken, a rigged economic model allow them to do so.

We have seen nine new billionaires created as a result of the excessive profits that pharma companies have generated from their monopolies on the COVID-19 vaccine. The total wealth of these nine people could vaccinate every single person in the world's poorest countries.

While now more than 80% of the population have been vaccinated in some rich countries, just over 4% of the African population has been.

Two weeks ago, I met Professor Pollard at Oxford University. He is the director of the Oxford Vaccine Group, the people who found the first vaccine, and who partnered with Astra Zeneca. (Astra Zeneca is a pharmaceutical company, but it didn't find it, it was found by researchers at Oxford.) He told me that there is currently no science to justify a third, "booster", shot right now, except for a small group of immunocompromised people. But today rich countries are organizing for many people to receive a third dose, while doctors are dying in low- and middle-income countries because they can't even get the first dose.

We hear too of millions of doses expiring in rich countries' stores, or being sent by them to our countries close to the expiry date.

Pricing is non-transparent, way beyond cost, and some developing countries are paying more for the same vaccine than some other, wealthier, countries have.

The voluntary technology transfer pool for COVID-19 technologies, called C-TAP, set up by WHO for pharmaceutical companies to share their intellectual property and know-how with other qualified manufacturers, so that we can boost production for everybody, remains unused two years on.

A waiver on patents, proposed by South Africa and India, and supported by over 120 countries, at the World Trade Organization, that would lift temporarily the intellectual property rules, so that those who can produce for themselves are not liable legally over intellectual property, continues to be held up by a handful of rich countries whose companies all have these vaccines.

Because of the failure to ensure that vaccinations reach all of us in all countries across the world, new variants are emerging that threaten everyone everywhere. So we are all unsafe. The policy choices of several rich governments are prioritizing the super profits of few billionaires over the safety of billions of other people.

Not getting vaccines to everyone is not just costing those who do not have the vaccine. It is costing the whole world 2.3 trillion dollars. That is 33 times more than it would cost to vaccinate the whole world. This doesn't even make economic sense.

Economic growth in Sub Saharan Africa this year is set to be lower than growth in the advanced economies. Whilst the whole world is losing, it is those at the bottom who are losing the most.

Inequality of voice between south and north, in multilateral processes, on financing is compounding this harm and will increase deaths. Even before COVID-19, 64 countries were spending more resources on external debt service than on their health care systems.

Now under COVID-19, the majority of developing countries are experiencing effective imposition of austerity. It's not been declared, but it is so.

There was an attempt to address the debt situation, but it resulted in only a partial postponement to the beginning of 2022.

The 650 billion dollar allocation of what we might call new money—IMF Special Drawing Rights—has overwhelmingly gone to rich countries, which already had more space to deal with economic crises coming from COVID-19.

Meanwhile, despite welcome progress made in agreeing on the principle of a minimum corporate tax level, rich countries continue to drag their heels on a comprehensive fair tax agreement, that could prevent losses from illicit financial flows, which Mbeki panel estimated for Africa alone at 50 billion dollars annually—a figure that UNCTAD has since revised upwards to 88 billion dollars.

The consequence of this economic and fiscal contraction will be many times more deaths from ill health and from hunger. As the Lancet has shown, maternal deaths and still births have already increased during this pandemic. And the World Food Programme has warned that 41 million people are on the brink of famine, up from 27 million in 2019. Extreme inequality costs lives.

#### Extreme inequality is not fate

Because extreme inequality is human made, we can unmake it.

But it cannot be solved by small tweaks here and there.

We can't work within confines of a broken economic model, which doesn't count the damage of inequality, or the impact on the climate, or the mostly women's work of caring or children, for the elderly, for the sick, and obsesses over growth. Big pharma, Big tech and the fossil fuel industry have been amongst those who have shaped these rules. We must shape new ones.

A radical problem needs a radical solution.

If we are going to fight the inequality pandemic, we need an economy that values what matters to most of us - people's health, children's education, our planet.

There are countries that point in this direction. New Zealand is championing what they call wellbeing, alongside GDP. Focusing on these areas generates a vision of a human economy.

The Secretary General of the United Nations has noted, and I quote: "COVID-19 has exposed the lie that free markets can deliver healthcare for all." I couldn't put it better. The only realistic way to ensure that the right to health is something that people don't just hear about in speeches, but actually experience, is to fund it with progressive taxation. It is not to sell health the way you sell a handbag. Health should be publicly provided, for people to access for free. That is the model that delivers for all, that European countries have enabled for themselves—selling us in Africa models that are private sector led is a dead end.

To beat this pandemic, we need to undo the dominant model by pulling together a set of policies that focus on the human being.

We need unrig the rules of trade. First of all, let's unrig the rules on health technologies and intellectual property, to make sure that all have equal access to life saving medicines. That is why South Africa has put forward the TRIPS waiver resolution. This is not about ending profits—profits will be made—but there are ways to reward innovation that do not give a handful of companies the power to decide life and death.

Combining policies that provide health, education and social protection, without linking them to people's income, and without discrimination, will help advance a just society.

This pandemic has reminded us that countries that provide for everyone are better able to protect themselves.

## Overcoming extreme inequality depends on organizing, led by those at the intersections of it

Given the enormous costs of inequality, and the fact that inequality is not inevitable, but is a choice, why then has it been allowed to continue to rise? The short answer is this: those who profit most from the structures of inequality have remained in the driving seat of decision-making, and those most afflicted have remained marginalized.

Even much of the conversation about inequality itself continues to be dominated by people who have most benefitted from those inequalities.

The bold policy actions needed to overcome extreme inequality will never be delivered as gifts by the powerful. They can only be won by organizing from the ground up.

It is a surge in organizing that can give us hope for change: the worldwide movement for Black Lives Matter, the resurgent women's movement, now led by many young women, the dynamism of the LGBT movement particularly in the global south, the fight by trade unions to rebuild, the mobilization of communities resisting displacement and insisting on services, and you students organizing Rhodes Must Fall and other movements.

The COVID-19 crisis has sparked and strengthened organizing around health care and the right to health. HIV movements have been at the fore of this, by drawing from their inspirational organising heritage. I am speaking here in South Africa, where the battle lines were drawn, where the Treatment Action Campaign took a stand, backed by President Mandela, to bring down those prices of antiretrovirals and give life to people.

40 years of experience in the AIDS response has shown us that when marginalized groups are suppressed or ignored, the response fails; when everyone is included, the response can succeed.

When world leaders gathered at the UN this summer to plan how to overcome inequalities driving HIV, I asked a woman from Asia Pacific Transgender Network to lead the debate. She explained to us how inequalities layer on each other like an onion. She

said: "I am a transwoman, who is also part of an identity called Hijra, governed by a very complex hierarchical structure. I am a woman of colour, blind in one eye. A woman without a womb and vagina. I am Asian, and at the same time I am also a former sex worker. You peal one layer of the stigma onion and you see several more layers, which create an ambience of discrimination, based on my gender, sexuality, sexual orientation, and profession. Inequalities which impact my life, human rights, and access to HIV services." That was Abhina. Living on the intersections of extreme inequality. But not voiceless. She has found a voice. It's powerful. And it's inspiring others.

Insights come when we connect what we have read with what we have been through. Literature is learning, but living is also learning. Solutions to inequalities never come from the centre, but always from the margins. Abhina has organized amongst her community, and across communities, helping to build the collective power that is needed. It is the Abhinas who are leading this fight against the pandemic of extreme inequality.

We can recover from the pandemic of inequality. But in the face of colliding crisis, it's clear we need bold new approaches in order to survive.

We can't be neutral on inequalities. We must be determined and deliver it by confronting them. The most unrealistic thing to do would be to imagine that we can overcome our current existential crises—pandemics, climate change, extreme inequality—through minor adjustments or tinkering.

Action is needed at all levels. We need people ready to defend their rights, as much as we need brave political leaders to further an agenda of equality.

When Martin Luther King said that "the moral arc of the universe is long, but it bends towards justice" he didn't mean this process is automatic. As he noted, "social progress never rolls in on wheels of inevitability; it comes through the tireless efforts of people". The trajectory of extreme inequality will not, through business-as-usual, bend down, but we can pull it down.

I have experienced the power of the pressure of people of communities, of women's grassroots movements, of people with living with HIV, pushing for equality. That push is uncomfortable for those who hold power. But my message, my friends, is this: let's keep pushing.

Change is never given. It is won.

Thank you.



