



## Governments must Protect Peoples, not Corporate Elite

Corporate Accountability Working Group Response to the COVID-19 Crisis

April 2020

The Corporate Accountability Working Group (CAWG) strongly believes in our role as part of the global community to shape a new reality where the well-being of people is placed before corporate profit. In a recent Working Group call, Consejo de Pueblos Wuxhtaj, a social movement member of CAWG, rightly articulated that “collective efforts and solidarity are the only way to overcome the COVID-19 crisis, and other – political and economic – systemic global challenges. We need to confront the savage policies that have benefited a small minority of world elites and big corporates while working against the majority of the people, particularly against women, migrants, ethnic minorities, asylum seekers, refugees and indigenous communities”<sup>1</sup>

[CAWG work](#) had long highlighted that corporate power limits access to human rights for all. It does so not only through exploitation, dispossession and direct abuses of workers’ and environmental rights, but also through corporate capture of public policy making to prioritize company profits over the realization of human rights. The COVID-19 pandemic and responses to it have served as a magnifying glass on deep fractures and inequalities in societies, and on the dismantling of public services vital for rights such as health care at the benefit of corporate actors. With massive job losses and the breakdown of informal economies, the COVID-19 crisis has again revealed why we resist current political and economic systems that are connected to a much deeper history of patriarchy, discrimination, colonization, imperialism and capitalism.<sup>2</sup> It is important to

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<sup>1</sup> This brief reflects shared analysis and demands put together by CAWG following several online conversations on the need respond to the COVID-19 crisis relative to corporate accountability

<sup>2</sup> Unless we address these issues, we will not be able to fully respond to the COVID-19 pandemic, as well as risk more severe disruptive situations in the future.

bear in mind that a majority of those working in health care, and those who work in more precarious and badly remunerated conditions are women.<sup>3</sup>

### Tax Big Corporates and Prioritize Funding for a Nationalized Healthcare System

In **Ecuador**, like in many other countries, the underfunded healthcare system is collapsing as a result of the pandemic, as is the mortuary system.<sup>4</sup> Developed countries like the **US** and the **UK** have also proven that their healthcare systems are underfunded and/or unprepared for responses to crisis.<sup>5</sup> Rather than fortifying public services that contribute to healthcare, billions of dollars are being handed over to corporations, who are given free rein to “restore economies” with little regard for human rights. Some corporations are already profiteering from the COVID-19 crisis. Corporations that provide food and medical supplies are gouging prices in **Australia** and beyond.<sup>6</sup> Big pharmaceutical and medical companies are withholding medicine, medical devices and information due to bidding wars between countries<sup>7</sup> leading to high pricing of essential goods.<sup>8</sup>

### Place Workers’ Rights ahead of Corporate Interests in COVID-19 Responses

All over the world, decades of labor deregulation and underfunding of social security have left workers without protection or access to income replacement schemes. In **Kenya**, over 40,000 workers have been sent home on compulsory, unpaid leave.<sup>9</sup>“ In **Malaysia**, IWRAW noted that two men were arrested on their way home from fishing for their families after the lockdown left

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<sup>3</sup> With women being amongst the hardest hit by the COVID-19 crisis, there are concerns that women’s rights will further be suppressed at the expense of restoring the economy. We echo the voices of feminist leaders who through the Women and ESCR Working Group of ESCR-Net detailed how this crisis impacts their and their communities’ rights: [https://www.escr-net.org/sites/default/files/attachments/womencovid19\\_eng.pdf](https://www.escr-net.org/sites/default/files/attachments/womencovid19_eng.pdf)

<sup>4</sup> Source: CDES, CAWG Working Group Call – 9 April 2020

<sup>5</sup> For more on the underprepared healthcare system in the US, please see: <https://www.nationalnursesunited.org/press/nations-hospitals-unprepared-covid-19>, for more on the underfunded healthcare system in the UK, please see: <https://www.theguardian.com/society/2019/may/31/nhs-underfunding-is-deliberate-strategy>

<sup>6</sup> For more info, see: <https://www.theguardian.com/world/2020/apr/11/corporate-suppliers-of-masks-and-gowns-price-gouging-not-for-profit-aged-care-providers>, and <https://www.theguardian.com/food/2020/mar/27/ive-never-seen-it-like-this-why-vegetables-are-so-expensive-in-australia-at-the-moment>. Pushing back on COVID-19 profiteers is essential. In the UK, a new taskforce was created to crack down on coronavirus profiteers.

<sup>7</sup> For more info, see: <https://www.theguardian.com/commentisfree/2020/apr/02/coronavirus-vaccine-big-pharma-data>, and <https://www.ft.com/content/a94aa917-f5a0-4980-a51a-28576f09410a>

<sup>8</sup> In competition to be first on the market with treatments and vaccines for COVID-19, there is a real risk that big pharmaceutical companies will attempt to surpass essential research, particularly related to the different impact of prevention and treatment drugs on men and women.

<sup>9</sup> Source: the Kenya Human Rights Commission (KHCR)

them without access to food and other necessities.<sup>10</sup> Similarly, in **South Africa**, workers who depend on informal trade have been struggling under the lockdown amid challenges in accessing emergency funding to mitigate their lack of income. According to CALS, poverty makes it a “death-death situation” forcing one to decide whether to risk dying of COVID-19 or hunger.

This type of heavy-handed enforcement of disease containment laws has functioned to exacerbate existing inequalities in a global economic system that values corporate profit over the safety and security of workers. In the **US** and **France**, Amazon continued to operate warehouses amid COVID-19 outbreaks without adequate cleaning or worker safety measures.<sup>11</sup> In **Bangladesh**, the Alternative ASEAN Network noted that “workers have been walking days to reach factories in fear that they will lose their jobs if they do not arrive on time. In turn, government officials have not provided them with safe means of transport or emergency funds for unemployment in cases of non-essential factory work.” In **Mexico**, Grupo Salinas who owns Banco Azteca or Tiendas Elektra in Mexico announced publicly, “they will remain open to save Mexico in times of pandemic”. This is clearly at the expense of workers' health and lives.<sup>12</sup> In **Cambodia**, Equitable Cambodia describes that as “part of semi lockdown, the Cambodian Government issued instructions that garment workers are not allowed to leave their work during Khmer New Year, or they will not be paid for their public holiday.”<sup>13</sup>

### Corporations must not be Complicit in Infringement of Privacy Rights by the State

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<sup>10</sup> Source: The International Women’s Rights Action Watch Asia Pacific. For more info, see: <https://www.malaymail.com/news/malaysia/2020/04/08/initially-jailed-for-fishing-to-feed-family-amid-mco-duo-now-sentenced-to-c/1854721/>. In Malaysia, both the privatization of the food and water industries as well as government-controlled checkpoints in the country has meant that many migrants and refugees have insufficient supply of both food and water

<sup>11</sup> For more on Amazon workers’ safety, read: <https://www.theguardian.com/technology/2020/apr/07/amazon-warehouse-workers-coronavirus-safety> Note: Recent reports indicate that following lawsuits in **France**, the company had to close down its warehouses after a Court ruling that the company is “not doing enough to protect staff and told it to stop selling non-essentials. For more see: <https://www.theguardian.com/technology/2020/apr/15/amazon-to-close-french-warehouses-over-coronavirus-concerns>

<sup>12</sup> Source: a recent documentation project on “Empresas con Tache” by PODER has identified that in spite of widely known health recommendations, this and other companies are ignoring the seriousness of this crisis. Grupo Dival are also using COVID-19 as an excuse for massive layoffs. These trends are putting the lives of workers at risk while limiting their access to health care and their overall well-being.

<sup>13</sup> Equitable Cambodia further noted that “should garment workers in Cambodia choose to take holiday, they will be forced to self-isolate for 14 days without pay before going back to work.”

The tech industry has also been exploiting a surge in its business during this crisis.<sup>14</sup> According to the Chinese Accountability Project, “due to the social credit system starting from 2014 in **China**, the two major private Chinese tech platforms, Tencent’s WeChat and Alibaba’s Alipay, have already obtained enormous users’ personal data. During the COVID-19 outbreak, both companies released QR code systems that can be read by smartphones and determine which individuals posed health risks and need to be quarantined or could be allowed to use public spaces and transportation.”

Members have also raised concerns about private actors, with State complicity, exploiting the pandemic in situations of conflict to bypass international humanitarian law. In the context of **Israeli** occupation of **Palestine**, WhoProfits reports that moments of crisis have always generated new business opportunities for Israeli surveillance tech companies, such as NSO, and other corporate actors, with complete disregard to international law.<sup>15</sup>

### Halt Influence of Corporate Elites on Government Policy and Decision-making

The corporate capture of State policies and decision making has been multiplied as States look to the corporate and finance sectors to rebuild the capitalist economy. The **US** has witnessed undue corporate influence weaken environmental laws, further undermining the health of its population.<sup>16</sup> In **Indonesia**, fears of economic losses, especially to the tourism industry, have delayed the response to COVID-19.<sup>17</sup> In **India**, alcohol companies lobbied with the government<sup>18</sup> that alcohol (like food) is an essential commodity during lockdown. India’s biggest tobacco company made a

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<sup>14</sup> The right to information is one that should be afforded to citizens by the State at a time when there is an increased need to transparency in budget-setting and policy making. For more about the protection of the right to information please refer to the Monitoring Working Group brief: [https://www.escr-net.org/sites/default/files/attachments/monitoringcovid19\\_eng.pdf](https://www.escr-net.org/sites/default/files/attachments/monitoringcovid19_eng.pdf)

<sup>15</sup> For more info, visit WhoProfits’ page: <https://whoprofits.org/surveillance-under-covid/>, also please see here Adalah’s litigation efforts to halt Israeli government surveillance in light of COVID-19: <https://www.adalah.org/en/content/view/9939>

<sup>16</sup> For more info, please read: [https://www.theguardian.com/environment/2020/mar/27/trump-pollution-laws-epa-allows-companies-pollute-without-penalty-during-coronavirus?CMP=Share\\_AndroidApp\\_WhatsApp](https://www.theguardian.com/environment/2020/mar/27/trump-pollution-laws-epa-allows-companies-pollute-without-penalty-during-coronavirus?CMP=Share_AndroidApp_WhatsApp)

<sup>17</sup> For more info, please read: <https://www.thejakartapost.com/academia/2020/03/17/covid-19-lockdown-its-not-the-economy-stupid-its-peoples-health-and-lives.html>

<sup>18</sup> For more info, please read: <https://timesofindia.indiatimes.com/business/india-business/liquor-companies-seek-nod-for-online-on-call-sale/articleshow/75117063.cms>

financial contribution<sup>19</sup> to the COVID-19 contingency fund in clear attempt to whitewash its image.<sup>20</sup>

In other parts of the world, the extractive industry remains operational with the protection of the State. In the **Philippines**, Tebtebba Foundation highlights that “OceanaGold-Philippines continues its mining activities without a license or the consent of the communities, and despite a government-declared lockdown that allows only businesses related to food and medicines to operate. In contrast, citizens in the Philippines were arrested when they went out of their houses supposedly to receive relief goods, and some were criminally charged for posts on social media.”<sup>21</sup> In **South Africa**, CALS noted that “mining companies have successfully lobbied to continue their operations.” In response, CALS and allies have been advocating company responsibility and human rights due diligence, risk assessment and mitigation. In **Brazil**, President Bolsonaro has also declared mining an essential activity that should continue during the lockdown; while any protest by affected communities is rendered impossible.<sup>22</sup> In **Indonesia**, the world’s largest oil palm plantation is continuing its operations,<sup>23</sup> despite government restrictions.

### COVID-19 Reveals Urgency in Confronting Corporate Capture, Impunity and Power

The scale of corporate abuses and state violations in the wake of the COVID-19 crisis have again revealed the urgency of confronting corporate capture, impunity and power. It has also spurred efforts to craft economic and political alternatives capable of making human rights a reality for all in this context and beyond. According to PODER, in **Uruguay**, local and accessible COVID-19

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<sup>19</sup> For more info, please read: <https://m.economictimes.com/news/company/corporate-trends/itc-to-set-up-rs-150-crore-covid-19-contingency-fund-for-vulnerable-sections-of-society/articleshow/74841727.cms>

<sup>20</sup> Corporate capture of the State has meant that suppliers in China and elsewhere are able to export unchecked testing kits for COVID-19 to countries like Spain, only to then discover that they were dangerously faulty after being used on people. For more info, please read: <https://www.theguardian.com/world/2020/mar/27/coronavirus-test-kits-withdrawn-spain-poor-accuracy-rate>

<sup>21</sup> Further notes from Tebtebba Foundation: “The mining company acts with impunity and “with complicity from the Philippine National Police who...violently dispersed peacefully assembled indigenous peoples opposing the mining operation.”

<sup>22</sup> Similarly, in Colombia and Peru, reports indicate that the extractive industry is continuing projects without the consent of indigenous and other communities and without respecting confinement measures for or providing health and safety protection to workers. Brazil is further expanding its exploitation of the Amazon. For more info on the situation in Brazil, please read: <https://news.mongabay.com/2020/04/in-brazil-covid-19-outbreak-paves-way-for-invasion-of-indigenous-lands/>.

<sup>23</sup> For more on this, read: <https://www.ecowatch.com/worlds-largest-palm-oil-plantation-2645576807.html>

testing kits funded by the State are trumping goods from the private sector.<sup>24</sup> Al-Haq in **Palestine** suggests that “one of the biggest fears of governments is that people will soon realize that they can be producers, not just consumers...we can build an alternative economy not based on corporate interests but on mutual support of local production.” Tebtebba Foundation in the **Philippines**, shared, “one community implemented their indigenous way of sharing resources in times of crisis – which includes opening up the granaries of the more affluent members of the community, to share with those who have lesser in life.” Citizens’ News Service, in **India**, emphasized, “a just response to COVID-19 means we need a just system where most of our population is not struggling for potable drinking water, just wages or even toilet-access.”

Our demands for the “day after tomorrow” require our strength as a movement to ensure corporate accountability and a future that prioritizes the rights of people over profits. Amid immense suffering and injustice, the current crisis opens up the opportunity to radically rethink economics and social relations and to choose an exit from the crisis not to the past but to a different future of greater justice, equality, freedom and solidarity. We demand a different future and commit our efforts to that end.

### **Immediate demands of governments:**

- **Halt influence by corporate elite on human and environmental rights**
  - Maintain regulations protecting human rights and the environment, strengthening anti-discrimination measures and ensuring rights to health, food, housing, water, and information particularly for impoverished and marginalized/at risk groups
  - Prohibit corporate lobbying and undue influence on government responses to COVID-19, halt price gouging, and compel big corporations to produce essential goods for low cost and not at the expense of workers
  - Ensure that treatment and prevention drugs for COVID-19 are available and accessible to all, and that vaccine trials and later distribution be based on human rights and justice

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<sup>24</sup> Further notes from PODER: Scientists from the State University are working to assemble and adapt international protocols to produce local COVID-19 diagnostic kits accessible to all and become independent of private labs. This is why we need a State that invests in education and science.

- Halt or impose moratoriums on projects that are potentially environmentally harmful or potentially bring harm to or displace indigenous or other communities
- Freeze all negotiations for new agreements at the World Trade Organization
- Strengthen privacy protections for COVID-19 patients and the general public
- Hold accountable government officials paid by corporations to advance capitalist agendas versus represent and protect all peoples' rights
- **Adopt economic measures to support all people equally, prioritizing human rights**
  - Ensure that all frontline service providers are immediately provided with free personal protective equipment and access to COVID-19 testing, they must also be given adequate training for essential services.
  - Cancel sovereign debts of poorer countries and debts of impoverished and low-income communities<sup>25</sup>
  - Provide food grains and essential commodities, ensure that all have free access to public services including emergency housing and public transportation
  - Ensure that COVID-19 testing is easily accessible and free for all
  - Ensure timely payments of government-sponsored pensions
  - Provide a minimum income for workers in the informal sector during the emergency and beyond, and urgently adopt plans to provide a universal basic income to those workers and their families in meaningful consultation with affected communities and at their consent
  - Adopt hybrid, more innovative and creative measures where lockdowns may not be sustainable in perpetuity, particularly given challenges in some developing countries

#### **Intermediate to long term demands of governments:**

- **Reconstruct a political and economic system with rights of people at the core**
  - Support [negotiations](#) for an international legally binding instrument to regulate corporate power, and introduce and enforce legislation nationally to regulate

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<sup>25</sup> international cooperation and assistance will be needed, especially to support those States that are the least in a position to handle the crisis.

corporate power and end their capture of the State, in order to ensure that communities and human rights defenders have access to an effective remedy

- Nationalize the health care system, and ensure access to free or affordable medicines, eliminating the power of pharmaceutical companies
  - Prioritize public funding for education, scientific research for public interest, food sovereignty and sustainable farming that guarantees the rights of peasants and agricultural workers, and universal healthcare
  - Introduce substantial and globally coordinated taxes on big corporations as a means to restore the economy
  - Government reconstruction and stimulus packages should prioritize human rights. Any support to corporations should be secondary and conditioned on strict accountability for respecting human rights and environmental norms.
- **Ensure the centrality of affected communities and movements**
    - Ensure the participation of affected communities and related movements—including informal, unpaid and paid care, and other workers—in shaping a just recovery and systemic alternatives

#### **Immediate demands of corporations:**

- Halt price gouging of food, medicine, medical devices and protective equipment - in particular, pharmaceuticals should not patent treatment and prevention drugs or vaccines, and should support production of generic versions globally
- Cease all lobbying efforts for the prioritization of economic growth, and company profit, over the rights of people in government responses to COVID-19
- Cease all extractive activities that are negatively impacting the rights of communities or workers
- Set protection schemes to ensure workers' rights are safeguarded and allocate funds to support in salary payments regardless of the circumstances of employment during the pandemic

- Exercise an enhanced and heightened level of due diligence in business conduct at all stages to ensure products and services are not violating workers' rights or infringing on the customers' rights