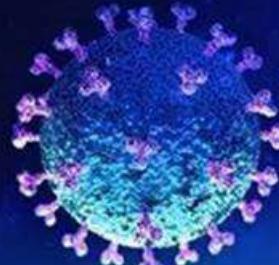




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30 June 2020

Employers urged to fund healthcare of the COVID-19 prone poor

University of Cape Town's (UCT) Professor Athol Williams has proposed a way through which the government can lift the nationwide lockdown in the interest of the poor.

Williams, a senior lecturer specialising in corporate responsibility and ethical leadership at UCT's Graduate School of Business, is calling for employers to fund the healthcare of the poor who are most likely to contract infections. This funding would be in the form of a 'special insurance'.

Employers would need to pledge that none of their employees will die of COVID-19 and put in place a programme that ensures their employees receive adequate treatment the moment they contract the virus. In the unfortunate event that an employee does succumb to the virus, the special insurance must make a payout to the family.

Williams explained that the most common reason used by those in favour of lifting the lockdown is that the poor suffer the most; lifting the lockdown would thus be pro-poor. However, he argued that these calls are not as altruistic as they seem.

He believes that if it is to be accepted that there is a rich–poor dichotomy in South Africa – an assumption implicit in the pro-poor calls – then it is instructive to observe how these two groups fare under lockdown compared to when lockdown is lifted.

"Under lockdown, the poor lose income which, as the newly enlightened pro-poor 'activists' point out, threaten the livelihoods of the poor," said Williams.

By lifting the lockdown, they argue that the poor can earn an income again – however measly this might be – and thus restore their livelihoods. "But lifting the lockdown will result in a surge of coronavirus infections and deaths, a burden that will be disproportionately borne by the poor. So, while the poor gain incomes from lifting the lockdown, they will risk their lives by returning to work," he said.

Under lockdown, the rich lose wealth; their asset values decline, and they receive dampened incomes and bonuses. Lifting the lockdown relieves the rich of these burdens. "So, what the rich gain from lifting the lockdown is wealth," said Williams. "What cost do they bear? Certainly not the cost of their lives as is the case with the poor. There is only upside for the rich to lift the lockdown while to the poor there is some upside in the form of income, but dire potential downsides in terms of potential death."

He explained that the rich must fund the incremental healthcare costs of the poor who are most likely to contract infections. They would be able to do so with some of the economic gains they stand to acquire if the lockdown is lifted.

"Sharing the benefit and the burden of opening the economy breaks the stalemate and enables us to move forward in a morally fair way," he said. "This would be a powerful test of the sincerity of those calling for the lockdown to be lifted on the grounds that they are making the call in the interest of the poor."



Prof Athol Williams.

Photo: Michael Hammond

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ENDS

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