

## **Donors, fund raisers, philanthropy and the social movements – How do we adjust to the collapse of free market capitalism and deal with the fallout from the neo-colonial legacy?**

### **Draft of a talk given by Glenn Ashton on 22 May 2009 to Inyatelo, the South African Institute for Advancement in Cape Town.**

Thank you for coming along at this ungodly time of the day to listen to me make an ass out of myself. I am not a morning person at all – I am a confirmed night owl and usually only finish my work well after midnight, making me a pretty useless early morning presenter. Nevertheless I hope I can overcome this shortcoming and at least share some of my late night insights, that I have committed to paper in an attempt to circumvent my bleary eyed mumbling this morning.

I don't know if any of you read my article that spurred this talk?

If you did you will recall that the central thread of the article was focussed on the new land grab in Africa. This has come about through the realisation of wealthy nations and corporations purchasing large swaths of good land to ostensibly pursue the production of food. I say ostensibly because a lot of this land is also earmarked for biofuels and more importantly, for the pursuit of profit.

You may have noticed that I mentioned that this land grab is pursued by both nations and corporations. This brings us toward the nub of the issue we are going to discuss today. I am personally no expert on this matter of colonialism or even of neo-colonialism. Nor am I an academic. I am just an interested and concerned observer of the unpredictable shenanigans of humans. So my analysis carries no real weight, it is simply what I like to call my exposition of proof. I expose issues that have been proven to run counter to good social or environmental governance. And of course there are usually two groups responsible for fraying the social fabric and for trashing our ecosphere. These are of course nations and more recently, corporations.

I don't really like dogmas and the NGO reliance on TLAs. Three letter acronyms.

Anyway, NGOs are really good at generating jargon when they run out of ideas or when they want to communicate and confuse each other. I know, I am on the executive of far too many NGOs and am equally guilty of using TLAs and for this I apologise. Anyway, what I am getting around to is attempting to share a central point. And this is the linkage, the intimate linkage between corporations and the mechanisms of state, the political sphere. I call this linkage the corporate political nexus. I don't know if I devised this phrase but I don't want to own it so I offer it up to you with this explanation.

Corporations are focussed on one thing and one thing only. The generation of profit in order to maximise the return for their shareholders. Profit comes before anything – ethics, morals, rights – be they social or environmental. Indeed profit even comes before the law.

How often have we heard of corporations polluting the environment and then happily paying a fine because it was more profitable to pollute and pay the fine than it was to adhere to the precepts of the law? Equally, corporations are dismissive of any kind of social norms.

I don't know how many of you saw the wonderful documentary the corporation. If you didn't, go and hire it. Anyway the corporation the movie came to some interesting conclusions. The most notable was that corporations essentially fit every criterion necessary to define a psychopath. They feel no remorse, they are goal oriented to the exclusion of all secondary considerations – profit of course being the primary goal. Psychopaths are not deranged nor do they suffer from any mental illness. Instead they operate rationally in order to secure the outcomes they wish for.

Psychologist Robert Hare stated

*'Psychopaths are social predators who charm, manipulate, and ruthlessly plow their way through life, leaving a broad trail of broken hearts, shattered expectations, and empty wallets. Completely lacking in conscience and in feelings for others, they selfishly take what they want and do as they please, violating social norms and expectations without the slightest sense of guilt or regret.'*

This clearly fits in with what we know about corporations and encapsulates neatly the major fundamental flaw with permitting corporations to be allowed to have standing as legal persona and worse, to shape our supposedly democratic statehoods. While we, as humans, die and have a limited time as active citizens, corporations are essentially immortal – as long as they don't make a loss, that is!

Psychopaths are not a new thing. Aristotle's student Theophrastus definition of 'an unscrupulous man' neatly aligned to that of our modern definition of a psychopath. More recently Henry Maudsley wrote about the "moral imbecile", and argued that these people were incapable of being rehabilitated by the correctional system.

There are those that say that the modern state has an equal propensity to exhibit psychopathic tendencies. We need look no further than Hitler's vision and its outcomes, or locally, at the perverse view of the nationalist government and its institutionalisation of racism through apartheid. These are both extreme examples. But even empires like the Romans or even the modern American empire can arguably fit this mould, where their actions in furthering their own ends have caused endless suffering amongst vassal states, not to mention the costs of war around the world.

I'm sorry if this is all a bit depressing for an early morning chat, but I needed to go down this road as part of my journey of my mind in order to bring you along on the voyage. So, okay, we have an understanding of the quality of the collective consciousness of a psychopath. Question is what bearing does this have on colonialism, neo-colonialism and donors and funding of civil society organisations?

When corporations and states get together we have psychopathy squared. The corporate political nexus is nothing if not a single minded tool of social and environmental exploitation in the furtherance of profit. So against this background what hope do we have as donors and recipients of state and corporate funding? The answer my friends and colleagues is that I could end this chat right now and just leave you bummed out about the line of work we are in. But this is not my manner. I only like to pick apart the scabs of our dysfunctional global system if I am able, in some small way, to heal the wound that is causing the problem in the first place.

But lets go back a step. After Africa began to cast aside the cloak of colonialism, we, as Africans enjoyed a sharp uptick in personal living conditions for a few years, in lockstep with a buoyant global economy. But in time the influence of the cold war conflict, along with pliant and all too often illegitimate leaders, saw these gains eroded. Education, health, agriculture all suffered. Resources were looted in the most cynical manner by proxy strongmen in states like Liberia, Nigeria, Congo and almost everywhere else.

By the 1980s the dream had started to take on the nuances of a nightmare, as the new colonialists came to the fore. The oil industry was in the vanguard, along with those seeking other primary resources like minerals and gemstones. Equally complicit were the Washington consensus organs of the world bank and the international monetary fund, who ordered structural adjustments that pulled the social security network rug out from beneath most African people.

As the cold war drew to its close the renaissance of the free market, the victory of the corporate dream over the collective began afresh. Here we saw the real birth of the corporate political nexus, which arose from the ashes of the cold war paradigm of the military industrial complex. Certainly the military industrial complex has not gone away – we know all too well how the arms industry has had a profoundly corrupting influence on Africa and African leadership particularly. Britain has led the way here since the collapse of colonialism but equally has stepped into the gap forged by the neo-colonialists who want not only land but the riches that lie beneath it and the bounty that is harvested from its surface.

While there are links between the old colonialists and the new, or neo-colonialists, we can argue that the neo-colonialists have become even more ruthless than their predecessors. Certainly there are nations, particularly the northern Europeans who have a strong social conscience and political representation, that have played an active part in attempting to foster sustainable development in Africa. Yet they remain in the minority.

The recent book by the young Zambian economist Dambisa Moyo, titled *Dead Aid* hits a the topic closest to our hearts and our personal lives and careers. In this book she suggests that we should ditch western aid with its increasing conditionalities and instead look east, towards particularly China. Moyo has a point but commentators like ex arch Njongonkulu Ndungane and academic Solly Benatar warn of the dangerous message that

Moyo spreads. Perhaps we need some perspective to put Moyos claims in perspective. She states that Africa has frittered away a supposedly massive US\$ 300 billion over the past 40 years.

Gavin Mooney of UCT put this in nice perspective yesterday when he said that this amounted to a paltry 3 cents of aid per day to each African over that period. Given the median income of Africans at around a dollar a day, taking 3 cents away seems like a pittance. Perhaps a better way of putting this in perspective is the fact that OECD nations subsidises their agricultural industry to the tune of around 1 billion dollars a day, nearly 350 billion per year. They spend more on their farmers per annum than the total of highly conditional aid devolved to Africa over the past 40 years. That is what is shocking, not that Africa has wasted the crumbs from the tables of the rich.

What Moyo has got wrong is that we do not need to eschew aid, we must in fact demand our fair share. And with that share we must have increased influence as to where it goes. And please let's not rely on China – they take what they want and leave as little as they need to gain their own ends. On this point Moyo is on dangerous ground.

If we are to attain the MDGs of equity to water, education, food security etc. then we must demand that aid is stepped up to the agreed levels of 0.7% of developed nations GDP. Again the Nordics and northern European nations have been good in this regard, some exceeding this amount. On the other hand Washington and its consensus partners have been particularly snoop, hardly reaching 0.1% and most of that conditional and constrained aid that benefits them more than us. US Aid in particular is designed first and foremost to benefit US interests with recipient nations interests being secondary. This is why they give US grown food aid rather than funding local solutions and trade in food within regions, etc.

As donors and fund-raisers for civil society we have a new challenge facing us that began to emerge from the victory song of capitalism trumping all, of the omniscience of the market. This was of course before the whole global casino economy was exposed for the sham it really is. But the heights of corporate arrogance, coupled to increasingly conservative governments in both Europe and particularly in north America, has clearly subverted governments to the will and influence of corporate capitalism, encompassing every sector – banking, pharmaceuticals, arms, energy, agriculture and on and on. This initiated us into a dangerous path that threatens us all as funders and donors.

It is not so much the alignment of the corporate political nexus that is of concern, it is the manner in which funding has increasingly been influenced by the corporate will. In the shadows of mad dog shrub bushes war on terror – which predictably simply caused more terror than ever – there has been a steady erosion of funding for progressive causes. Thankfully there are still a few leading lights but they are few.

Through corporate interference in political decision making what money used to be collected as tax and disbursed as aid is now increasingly lost to tax havens and corporate

gambling and speculation. Arising out of the embers of this system are the super philanthropists, the Bill Gates and Warren Buffet types. Individuals and boards influenced by the paradigms of capitalist success and technological quick fixes now influence where aid money is spent.

Instead of allowing Africa to enter a new green revolution Gates and company are subverting things in concert with US aid and steering us toward a corporate vision of genetically engineered and patented seeds being some sort of solution to the systemic problems with African agriculture. That these have been brought about simply from insane subsidisation of uncompetitive and ecologically damaging farming practices in the first world is blindly ignored. As someone famous said, first they make us mad then they destroy us!

As vanguardists there is another way. We can avoid the conditionalities of aid and of donor funding. How are we to do this? Quite simply we must work together, as funders and as recipients of aid that is intended to actually achieve the MDGs. (there I go again!!) We must lean not only on our governments but through the media – which is increasingly on our side after the collapse of the capitalist dream – promote our vision and our responsibilities.

We also have a nice gap to lobby in with the institution of our new parliament under a leadership that evidently wishes to pursue a more socially aligned system. While Mbeki had grand dreams he was wittingly or unwittingly an agent of neo-colonial interests. He may have won some kudos as a statesman lobbying for a better deal for Africa with his Nepad and AU dreams but he failed to deliver in a climate that was structured to undermine his best intentions. However the new guard with some bright stars in its panoply can be of great assistance to us.

So the question is do we simply, as progressives throw in the towel and compromise ourselves in our funding proposals or do we stand up for what is right, what is good and what is essential if Africa is to succeed? I would say that we must buckle down and create ever stronger interrelationships between the social and environmental sectors that have often been perceived to be at odds with one another. They are not at odds nor have they ever been – the fight for social justice is intrinsically linked to the demands for environmental sustainability. On this we must be clear.

For example the industrial model of agriculture – and excuse me if I draw on the parallels from this sector, but it is the one with which I am most familiar – is on a land grab, it is attempting to steer us towards a system designed around dependence on corporate inputs rather than one that is independent and able to sustain itself through integrated agro-ecological practices which have been demonstrated to hold the best chance for Africa to succeed. Industrial agriculture forces peasant farmers from the land and into slums, worsening social and political pressures on governments, inviting further structural adjustments, in an endless vicious cycle headed in diametrically the opposite direction from that which we should pursue.

Yet amongst this we see a realisation amongst the Washington consensus that things must change. The rise of Obama is a hope to us all. Just as the recent shenanigans of Britain's new Labour (the leftists who were bought out, or rather sold out!) have demonstrated to us all the poverty of the paradigms of the corporate political nexus. So too the hopes that Obama, Zuma and the inevitable rise of the left from the ashes of the free market, bring us a realisation that we can, if we really do represent the needs and interests of the widest possible sector of the social movement, make change happen. To quote Obama, yes we can.

It is not just that we can, it is that we must. We are at a juncture of change. The system has failed. Certainly there will be compromises - as there always are - in how we carry through our tasks. Change is slow to filter down. We need to assist through sharing our insights, through being agents of change for the social- and environmental - good.

I truly hope that all of you and the colleagues that you associate yourselves with will engage and use whatever leverage or influence you have in pursuing this vision. The next half a decade is a critical one. If we do not start to reverse both the ecological erosion and the social deprivation brought about by the nightmare world engendered by the corporate political nexus we will have failed.

I know many of us have worked tirelessly for years, for decades and hover on the edges of burnout from chasing funders who have been unwilling to share our dream. But we cannot be dispirited. I know it will not be easy but I am equally certain that the next five years will be exciting and challenging as we follow our consciences and our visions for a better world for all.

I could go on for a long time expounding on this theme but I have overstepped my time and I know that your insights and views will be far more interesting and enervating than my muddled thoughts at this time of the morning.

Remember, the day is still young!

Thank you for sharing your time with me and I look forward to sharing your thoughts I have hopefully provoked as well as sharing vicariously in your successes in future.

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