

Corporate Philanthropism: Who Exactly Benefits Most from the “Global Giving” by Billionaires?

By [Jon Queally](#)

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As the world’s political and economic elite gather to discuss their top concerns at the annual Davos summit in the Swiss Alps and with attention this week focused on the scourge of economic inequality, a new report begs questions about the potentially disastrous role the super-wealthy are playing when it comes to addressing key problems of global inequity, endemic poverty, and international development.

Released on Wednesday, the study by the UK-based social justice group Global Justice Now takes a specific look at the impact of the world’s largest philanthropic charity, the Bill & Melinda Gates Foundation (BMGF), to assess how large-scale private giving may be “skewing” how international aid works. In its conclusion, the report argues that what may look like altruism on a grand scale may actually mask a sinister reality about how the billionaires of the world insulate their personal fortunes while using their out-sized influence to project their private ideologies and further financial interests. The result, the report suggests, is that many of the people and communities who such charities purport to be helping, may actually be worse off in the long run.

With more than \$43 billion in assets, the Gates Foundation is often lauded as a global force for social good that uses its vast financial resources to launch initiatives and support existing projects in order to, according to its mission, “help all people lead healthy, productive lives.”

The new report, however—entitled [**Gated Development: Is the Gates Foundation Always a Force for Good?**](#)—argues that regardless of good intentions or motivations, the foundation’s “concentration of power is undemocratically and unaccountably skewing the direction of international development” which in turn is “exacerbating global inequality and entrenching corporate power internationally.”

As Mark Jones, lead researcher and author of the report, explains in the introduction:

Analysis of the BMGF’s programmes shows that the foundation, whose senior staff is overwhelmingly drawn from corporate America, is promoting multinational corporate interests at the expense of social and economic justice. Its strategy is deepening – and is intended to deepen – the role of multinational companies in global health and agriculture especially, even though these corporations are responsible for much of the poverty and injustice that already plagues the global south. Indeed, much of the money the BMGF has to spend derives from investments in some of the world’s biggest and most controversial companies; thus the BMGF’s ongoing work significantly depends on the ongoing profitability of corporate America, something which is not easy to square with genuinely realising social and

economic justice in the global south.

Polly Jones, head of campaigns and policy at [Global Justice Now](#), highlights why the foundation's unique role as a private organization is so troubling when it comes to putting a check on its enormous influence on the world stage.

"The Gates Foundation has rapidly become the most influential actor in the world of global health and agricultural policies, but there's no oversight or accountability in how that influence is managed," argues Polly Jones.

"This concentration of power and influence is even more problematic when you consider that the philanthropic vision of the Gates Foundation seems to be largely based on the values of corporate America. The foundation is relentlessly promoting big business-based initiatives such as industrial agriculture, private health care and education. But these are all potentially exacerbating the problems of poverty and lack of access to basic resources that the foundation is supposed to be alleviating."

Based on a careful review of the charity's behavior, the report offers these specific criticisms of the Gates Foundation:

- The relationship between the money that the foundation has to give away and Microsoft's tax practices. A 2012 report from the US Senate found that Microsoft's use of offshore subsidiaries enabled it to avoid taxes of \$4.5 billion – a sum greater than the BMGF's annual grant making (\$3.6 billion in 2014).
- The close relationship that BMGF has with many corporations whose role and policies contribute to ongoing poverty. Not only is BMGF profiting from numerous investments in a series of controversial companies which contribute to economic and social injustice, it is also actively supporting a series of those companies, including Monsanto, Dupont and Bayer through a variety of pro-corporate initiatives around the world.
- The foundation's promotion of industrial agriculture across Africa, pushing for the adoption of GM, patented seed systems and chemical fertilisers, all of which undermine existing sustainable, small-scale farming that is providing the vast majority of food security across the continent.
- The foundation's promotion of projects around the world pushing private healthcare and education. Numerous agencies have raised concerns that such projects exacerbate inequality and undermine the universal provision of such basic human necessities.
- BMGF's funding of a series of vaccine programmes that have reportedly lead to illnesses or even deaths with little official or media scrutiny.

In Polly Jones' forward to the report, she explains why the ideological underpinnings of the foundation—often overlooked or ignored in mainstream assessments—are essential to understanding the downside of BMFG's powerful influence:

[This report] demonstrates that the trend to involve business in addressing poverty and inequality is central to the priorities and funding of the Bill and Melinda Gates Foundation. We argue that this is far from a neutral charitable

strategy but instead an ideological commitment to promote neoliberal economic policies and corporate globalisation. Big business is directly benefitting, in particular in the fields of agriculture and health, as a result of the foundation's activities, despite evidence to show that business solutions are not the most effective.

For the foundation in particular, there is an overt focus on technological solutions to poverty. While technology should have a role in addressing poverty and inequality, long term solutions require social and economic justice. This cannot be given by donors in the form of a climate resilient crop or cheaper smartphone, but must be about systemic social, economic and political change – issues not represented in the foundation's funding priorities.

Earlier this week, Oxfam International [released a report](#) showing that economic inequality across the globe has soared to such heights that now a mere 16 individual billionaires, including Bill Gates, own more wealth than the 3.6 billion people who represent the poorest half of the world's population. In total, the [report confirmed](#), the richest 1% of people now own more than the bottom 99% combined.

These shocking levels of unequal distribution of wealth are the cause, say experts, of increasingly intractable poverty levels in places like sub-Saharan Africa and across the Global South. “The richest,” said Oxfam's executive director Winnie Byanyima, “can no longer pretend their wealth benefits everyone – their extreme wealth in fact shows an ailing global economy. The recent explosion in the wealth of the super-rich has come at the expense of the majority and particularly the poorest people.”

Last week, as *Common Dreams* [reported](#), international watchdog group The Global Policy Forum put out its own critical report critical regarding the impacts of large philanthropic foundations and charities. Employing the term “philanthrocapitalism” to describe the phenomenon, the report argues that the “influence of large foundations in shaping the global development agenda, including health, food, nutrition, and agriculture” raises “a number of concerns in terms of how it is affecting governments and the UN development system.”

And the intersection between outrageous levels of inequality on the one hand and the rise of powerful private foundations on the other shows how interlocked these phenomena have become. As Gary Olson, professor of political science at Moravian College in Pennsylvania, [wrote](#) recently at *Common Dreams*, “The one thing that Big Philanthropy must overlook is the green elephant astride the boardroom's conference table, the economic system that causes and extends [economic and social] injustices in perpetuity.”

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Articles by: **Jon Queally**

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