Illusory Aid: How American Myths Keep the “Making a Difference” Lie Alive

by

Nicola Latto
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I owe huge thanks to my wonderful support system that helped me throughout this endeavor. Thank you to my family, especially my mom, who read every single word of this thesis not once but twice. Thank you to the rest of my family, friends, and amazing housemates for all of your encouragement and all the faith you had in me.
I grew up believing that helping others is a fundamentally important part of our society. As a child I did community service with my Girl Scout troop, trick-or-treated for UNICEF, and organized the Great American Bakesale to benefit anti-hunger programs. In high school I did various community service projects and I was co-president of my school’s chapter of Amnesty International. I participated in Relay for Life events benefitting the American Cancer Society, and I owned a shirt that said “Save Darfur” (proceeds went to the organization of the same name). I wrote my college essay about my commitment to social justice.

In college I have been involved with various advocacy organizations. I interned for a non-profit organization where I worked over 40 hours a week unpaid. I always assumed that I would work for a non-profit after college, and considered attending graduate school for a Masters in non-profit management. In the spring of my junior year, I began thinking about doing a thesis about some aspect of non-profits. I approached several professors about a thesis on how to convince people to donate more money to non-profits. I had vague plans about conducting an experiment that tested the effectiveness of different charity appeals.

When none of the professors who do traditional psychological research were interested in my topic, I went to see Bob Steele. He immediately challenged me to think about non-profits in a completely different way, emphasizing the need for critical analysis of charities and their role in oppression. Previously, I would have conceded that some non-profits were misguided, and that more research should be
done to find the most effective programs and approaches. But never did I think critically about non-profits, never did I question the model nor their benevolent aims. Never would I have believed that there could be something fundamentally wrong with the whole non-profit system. In this thesis, I critique many assumptions that Americans make about charity work. Previous to my research, I also subscribed to some of these assumptions. Thus I ask my readers to approach this project with an open mind and question your own implicit assumptions. Do you accept non-profit organizations as universally and unquestionably good? Have you ever considered that the opposite might be true? How does America’s self-congratulatory mythology cover over some of the less noble actions of non-profits? And, how do Americans use charitable giving as an excuse to maintain their privileges guilt-free?
Introduction

“If we have to use force, it is because we are America. We are the indispensable nation. We stand tall. We see further into the future.”

- Madeleine Albright, former U.S. Secretary of State under Democrat Bill Clinton

[Culture] packs associations and arguments into dense ecosystems of meaning; it requires us to know a thousand things about politics, social life, and correct feeling in order to ‘get it’; and then, in a remarkable sleight of hand, it makes the reactions it evokes seem spontaneous and obvious.

- Melani McAlister, Epic Encounters

There are currently over 1.5 million non-profit organizations in the United States,¹ and a new one is registered every ten to fifteen seconds.² But are all non-profits doing as much good as we think they are?

Is the creation of more non-profit organizations really the best way to tackle society’s problems? Why has the non-profit, a specific institution with what have become established practices and strict rules, become the only way we think about “helping others” in America? Is the idea of helping others itself as noble as we think? Are the United States’ non-governmental organizations (NGOs) helping people in other countries? Is it America’s responsibility to fill this helping role? How do our beliefs and worldview as Americans shape non-profit organizations, and how do non-profits reflect distinctly American values?

¹ This number does not include organizations with an annual income of less than $25,000, so the real number is even higher. “How Many Nonprofits Are There in the United States?” Foundation Center, http://foundationcenter.org/getstarted/faqs/html/howmany.html (accessed April 4, 2012).
This thesis examines American cultural myths and their “dense ecosystems of meaning” which non-profits both rely on and repackage and reproduce through their work. Non-profits do this in several ways. First, they help to socialize Americans into believing it is important to help “make a difference” (in a way that allows us to continue to be selfish and feel important), while making these reactions seem “spontaneous and obvious.” Then, they divert the desire for social change into a reformist, foundation-dictated, state-surveiled and well-managed structure that helps keep the American system of institutionalized oppression intact. NGOs working abroad in turn contribute to the American imperialist mission, using a veneer of benevolence to mask their real intentions.

American culture rests on a bedrock of myths. Some of the myths most fundamental to American society and culture include:

- America is the greatest country on Earth
- There is equality in America
- Americans are an independent, free-thinking people
- Those who have money worked hard to get it and deserve it; anyone in America can “pull themselves up by their bootstraps” because America is “the land of opportunity”
- Success in business is the highest form of triumph there is; the entrepreneurial spirit is what makes America great
- The poor are lazy, and thus they need our help
- It is America’s job to bring freedom and democracy to the world
Third World countries need America’s help in order to “develop;”
development is universally desired and the only way forward

Most Americans subscribe to these myths; they are taken for granted as universal truths in our society. In a recent Gallop poll, 80% said they believe that “America is the greatest country on Earth.”\(^3\) This is the idea of American exceptionalism, the notion that America is special and superior to all other countries and thus has unique responsibilities on the global stage (i.e., domination). In many cases, Americans truly believe in these myths. But even those who otherwise possess sharp analytical skills have a hard time critically evaluating or challenging these ideas, because they are so deeply ingrained in our collective consciousness. For example, a recent article in the self-professed liberal magazine *The New Republic* criticized presidential candidate Mitt Romney for discussing America’s unique character and role in the world and saying, “I will never, ever apologize for America.”\(^4\) The article called this a “bombastic” statement that is “flatly ridiculous.”\(^5\) And yet, the article concedes that “it is true that, because of our outsized power, we remain uniquely positioned to stand up for these ideals [of freedom, opportunity, justice, and human rights] when they are under threat elsewhere in the world” and agrees with Romney that America “must lead the world, or someone else will.”\(^6\)

The myth of American exceptionalism is constructed by a pack of underlying fallacies that keep the larger delusion alive. First, Americans believe that American

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\(^5\) Ibid.

\(^6\) Ibid.
exceptionalism is exceptional. However, all great powers throughout history have thought they were uniquely superior and thus possessed the special responsibility to rule and dominate others. America’s belief in its exceptionalism is no different from Britain’s “white man’s burden” or countless other empires’ justifications for domination. Second, Americans believe that its exceptionalism is rooted in the United States’ uniquely virtuous and moral behavior. They also believe that America is responsible for most of the good in the world, such as the spread of democracy. Yet, even a cursory look at American history shows a track record of wars, interventions, propping up dictators, torture, and failure to sign on to international human rights treaties like the International Criminal Court. Further, America was founded on the backs of the Native Americans, and gained its power by killing them and stealing their land and resources, as well as enslaving millions of Africans. A related myth charges that America’s success is due to its own special genius through such things as the virtues of the Founding Fathers and the Constitution, which allowed for the individual liberty, creativity, and hard work that granted America its powerful position today. This idea again ignores the fact that America’s power results from the extermination of an entire people, the conquering of their resource-rich land, and the enslavement of millions, coupled with the sheer good luck of being geographically removed from European powers. International

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9 Ibid.
10 Ibid.
11 Ibid.
12 Ibid.
affairs writer and researcher John Tirman also argues that the “frontier myth” contributed to American exceptionalism:

The fundamental self-perception of our mission and actions in the world, one we have carried for centuries, is that of the frontier – an exceptionally sturdy image for American politics, the backdrop for our national character and sense of purpose. For nearly 300 years, settling, cultivating, and “taming” the frontier drove the Europeans who came to this continent. When the frontier closed – when the last of the indigenous tribes was subdued and the land taken – it created a sense of crisis in American politics. Teddy Roosevelt in particular responded to this by looking outward, across oceans, to imagine frontiers abroad. Much of the ensuing century has involved America in such global frontiers…. The myth of the frontier is an architecture of American politics and how we frame our role in the world…. [America] not only assumes that the whole world is our rightful domain of action, but that an innate, moral superiority guides and justifies this mission.”

Over the decades, this frontier myth helped nurture an acceptance for domination that is still active today, even if the justification is no longer couched in terms of the Western frontier. The belief in America’s unique moral superiority remains a fundamental pillar that keeps the institution of exceptionalism standing strong. In a similar vein, many Americans believe that their exceptionalism is ordained by God.

Political historian Caleb Stewart Rossiter examines how American cultural myths work to construct a benevolent image of America as the “Defender and Provider of Freedom” that allows it to dominate the world. He examines the history of exceptionalism and how it became so deeply internalized in the American psyche. Rossiter argues that the idea of exceptionalism is propagated by the media and politicians, and then internalized by the public, who vote to elect politicians who believe in it, creating a vicious cycle that he characterizes as a “cultural pump”:

The stream on which [America's] entire imperial enterprise floats comes out of a cultural pump that constantly regenerates exceptionalism and celebrates

the machinery of domination, if not domination itself. The cultural pump is seemingly everywhere in American life. While at times it disgorges coordinated propaganda by the federal government, corporations that benefit from empire, and neo-conservative cheerleaders, its primary flow consists of voluntary effusions by individuals with no vested interest in or ideological commitment to domination. This localized, information participation makes domination seem normal and inevitable, so “day to day.”

Rossiter argues that the "pump" runs on two themes. First, noblesse oblige is a feeling of responsibility to “help” the world rooted in a sense of superiority and domination that comes from schools and universities instilling the need for “service” in their students. Second, politicians and the media propagate emotional appeals based on fear and patriotism. Government, the media and corporations cooperate to keep the cultural pump flowing – and as Americans keep drinking from it, they become propagators of the myths as well.

The belief in American exceptionalism dates back to the Puritans and their self-perception as “a city upon a hill.” In his book on the role of religion in American war and diplomacy, Andrew Preston argues that Protestantism promoted the Calvinistic belief that Americans (before they were even called Americans) were God’s “chosen people” and “God's instrument on Earth to do good and to rid the world of evil.” The Massachusetts Bay Colony stated in its founding charter that one of its primary goals was to Christianize the “natives,” and the official seal pictured a Native American with the caption: "come over and help us.” Even early on, the idea that America’s exceptionalism allowed it to dominate went side by side

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16 Ibid.
with the idea that it should also help. Current emotion-based support of American exceptionalism is rooted in this religious framing.

Related to trusting religion or emotion over reason, Rossiter traces the development of anti-intellectualism in America. He argues that anti-intellectual sentiment began with the influx of so many immigrants to the U.S. and deepened with white Southerners’ anger at Abolitionist rhetoric’s high-brow tone.\(^{17}\) Today, anti-intellectualism contributes to people’s unwillingness to question American myths:

For intellectual leadership, many Americans turn not to professors but to a state-oriented religiosity that places a veneer of sanctity, by its revelatory nature illogical and so unassailable, on imperial policy…. Religiosity adds an emotionalism to political deliberations, making other appeals to deep, irrational feelings more legitimate.\(^{18}\)

This emotionalism makes it hard for people to question the doctrine of exceptionalism and American domination – and especially its role as liberator and helper. American society places a similar, even more unassailable veneer of sanctity on non-profit organizations and “helping people” that non-profit organizations use to cultivate emotion-based (pity or guilt) support for their work, usually through monetary donations (see Chapter 2).

Despite its unassailable sanctity, in the 1990s some anthropologists did begin to critically analyze one facet of American exceptionalism by questioning international development. For example, Arturo Escobar applied Foucault’s analysis of power/knowledge to critically analyze the West’s role abroad by deconstructing the discourse of the development aid industry. According to Foucault, discourse constructs truth, and, by extension, reality. Those who have power produce

\(^{17}\) Rossiter, *The Turkey and the Eagle.*

\(^{18}\) Ibid., 256-7.
knowledge, and thus control the way we are able to talk and even think about things.\textsuperscript{19} By taking a deconstructionist approach, Escobar examines how “development” acts as a discursive regime that has “created an extremely efficient apparatus for producing knowledge about, and the exercise of power over, the Third World.”\textsuperscript{20} Escobar examines three important aspects of development:

The forms of knowledge that refer to it and through which it comes into being and is elaborated into objects, concepts, theories, and the like; the system of power that regulates its practice; and the forms of subjectivity fostered by this discourse, those through which people come to recognize themselves as developed or underdeveloped.\textsuperscript{21}

Escobar shows how the development discourse dominates our thinking to the point of a “colonization of reality”\textsuperscript{22} and of our minds. He demonstrates that when discourse is tightly controlled by power/knowledge, we lack the ability to think about an alternative. For example, many people who are critical of the effects of development simply discuss different ways to do development “better,” or differently, such as “participatory development” or, as in now in vogue, “sustainable development.” However, these “alternatives” simply discuss different incarnations of the concept, not an alternative to development altogether. Escobar argues that it is only possible to conceptualize real alternatives after we decolonize our minds. By deconstructing the discourse to understand how it has been engineered for specific purposes and internalized in our minds we can free ourselves to think outside the development paradigm entirely. Inspired by Escobar, this thesis examines how cultural myths

\begin{thebibliography}{9}
\bibitem{escobar1}Ibid., 10.
\bibitem{escobar2}Ibid., 5.
\end{thebibliography}
define the discursive regime that constructs American non-profit organizations (which in turn reproduce a myth-based “helping people” discourse).

A cultural pump similar to Rossiter’s works to propagate the myth that American non-profits are exclusively doing “good” in the world, and this illusion is even more insidious and difficult to question. The discourse surrounding “making a difference” makes this myth almost untouchable, because our society conflates being a good person with “helping others” and not questioning peers’ or organizations’ ostensible good intentions.

Another important facet of American exceptionalism is the myth of the American Dream. Americans still believe that the U.S. is the “land of opportunity,” which breeds reverence for capitalism. Yet, the gap between rich and poor in America is wide and only getting wider. Western Europe not only has more income equality than the U.S., it also has more economic opportunity available in that it provides more freedom to move up in society.\(^{23}\) Many countries, among them Japan, New Zealand, and Singapore, have more income mobility than the U.S.\(^{24}\) Even Pakistan, which used to have a caste system, now has more income mobility than America.\(^{25}\) And yet, America as “the land of opportunity” is a pervasive and oft-cited trope that generates support for capitalism and lessens sympathy for the poor. It also contributes to the high value placed on individual responsibility, which discourages the government from providing a better social safety net. For example, among other “developed” countries, America is the only one that does not provide universal health

\(^{24}\) Ibid.
\(^{25}\) Noah, “The Mobility Myth,”
care for its citizens. Instead, non-profit organizations are left to pick up the slack.

Philanthropy policy analyst Christine E. Ahn comments,

Many Americans are seduced by the idea that piecemeal voluntary efforts can somehow replace a systematic public approach to eliminating poverty. But this reasoning is based on the inherent falsehood that scarcity—rather than inequality—is at the root of these persisting social and economic problems. This worldview nurtures a culture of noblesse oblige, the belief that the wealthy and privileged are obliged to help those less fortunate, without examining how that wealth was created or the dangerous implications of conceding such power to the wealthy. But that same reliance on the generosity of the wealthy poses grave threats to democracy because it assumes that foundation grants [from the super-rich to non-profit organizations], rather than organizing and political power, will lead to social change.

American’s reverence for capitalism, in combination with its strong belief in individual responsibility, encourages a culture in which the wealthy have the power to do whatever they want, including determine which social movements are allowed to flourish and which are marginalized (see Chapter 3).

Not only does capitalism help provide a need for non-profits and determine which non-profits are allowed to exist, it has also infiltrated non-profits themselves.

Longtime community organizer Paula X. Rojas argues that,

one of the scariest manifestations of modern capitalism is the system’s ability to co-opt experiences, practices, even culture and to then re-create and repackage them within a careerist, profit-driven (even in “non-profits”), and competitive logic.

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As will be discussed later, capitalism has warped the non-profit sector, through which the injustices of the market are reproduced (e.g., through corruption, racism, sexism, homophobia, and classism).

Additionally, scholar-activist Ruth Gilmore discusses two other very American institutions and how have they have become ingrained in our society:

Both the military and the prison industrial complex have reshaped the national landscape and consequently shifted people’s understanding of themselves in the world—because norms change along with forms…. Thus normalization slips into naturalization, and people imagine that locking folks in cages or bombing civilians or sending generation after generation off to kill somebody else’s children is all part of “human nature.”

The non-profit sector has also become normalized, both in society and in our minds. Today, if you want to “help the world,” you simply start a non-profit organization or go to work for one, and no other options are considered—because the current American “helping” discourse and institutions marginalize alternatives. The non-profit sector has also evolved to function in tandem with other American power conglomerates, like the military and prison industrial complexes (see Chapter 3).

With these myths (and their underlying delusions and associated discourse) in mind I will explore the non-profit industry in America today.

First, I unpack what a non-profit is and does and how it functions as a part of current American culture. Then I examine the language society uses to talk about non-profits and how this influences and allows the language non-profits use to describe and market their work. I also dissect images, because they are a prime representative of the reality that has been constructed through American “helping”

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culture. Next, I discuss the non-profit sector as a whole, and explore how a non-profit industrial complex has arisen and become institutionalized and integrated into America’s web of interlocking power complexes. Subsequently, I look at American non-profits working abroad and show how American development agencies and projects function as a liberal expression (as opposed to military intervention) of American exceptionalism. Finally, I conclude by discussing some recent non-profit scandals and demonstrating how myths helped obscure the fraud of these charities for many years.
Chapter 1: Deconstructing the Non-Profit

Societies get the degrees of poverty and income inequality they desire.
- Authors of *The Persistence of Poverty in the United States*

Charity Culture in America

Non-profit organizations have become ubiquitous in America. Everywhere you go, you are bombarded with signs of America’s ostensible generosity. Turn on the television, and you might see an advertisement for an organization asking you to pledge one dollar a day to help feed starving children abroad. Read the newspaper and you might see an announcement about a charity’s annual fundraising gala. Go to school or work and you might be asked to support whatever cause your peers are raising money for by buying baked goods, attending a car wash, or going to a fraternity or sorority event. Read a course catalogue and you might see “service-learning” courses or a Masters in Non-Profit Management. Attend religious services and you may be asked to donate money or time to helping the poor. Listen to the radio and you might hear an advertisement imploring you to donate your old car to charity or attend a fundraising event. Walk down the street and you may be stopped by canvassers for Greenpeace, U.S. PIRG (Public Interests Research Groups), or any number of other groups asking you to donate money and/or sign petitions. Check your email or Facebook and you might have a request from a friend participating in a charity run or walk asking for you to “sponsor” them with a donation. Peruse blogs and you’ll find people writing about a diverse array of topics who also include the
theme of helping others in their postings.\textsuperscript{30} Go to the store and you can choose to buy pink products to support breast cancer research, red items for AIDS medicine, green products to help the environment, or a multitude of products that have a charitable donation tacked on to their purchase. Go up to the counter to pay for your groceries and you might be asked to donate a dollar or two to an organization, after which the store will write your name on a certificate and put it up on the wall among all the others.

When we acquiesce to the charity appeals all around us, do we know anything about the organization to which we are giving? Even if we are familiar with the group’s name, do we actually know what programs they execute, what effects these programs have on local communities, and if the group uses sound financial practices? It may not seem serious to inadvertently donate a few dollars to a harmful organization, but groups can make substantial sums by asking many people for small amounts. For example, Whole Foods raised $2 million for their Whole Planet Foundation by asking customers for one-dollar donations as they were checking out.\textsuperscript{31} And once we get habituated to giving in response to the constant appeals all around us, especially through sponsoring friends or buying a material item for ourselves, we

\textsuperscript{30} For example, Katie, who runs a baking blog called Dip It In Chocolate, comments on her recipe for S’mores Stuffed Chocolate Chip Cookies, “I truly believe baking can make a difference. Perhaps it won’t cure cancer or lead to world peace, but I think in every talent there is a way to help others. Last week I participated in a bake sale benefit for the Utah chapter of Hands & Voices. Hands & Voices is a nationwide non-profit organization dedicated to supporting families and their children who are deaf or hard of hearing. These cookies, wrapped individually and tied with ribbon were a fun and unique addition to the table.” (“S’mores Stuffed Chocolate Chip Cookies,” Dip it in Chocolate, entry posted June 25, 2011, \url{http://dipitinchocolate.blogspot.com/2011/06/smores-stuffed-chocolate-chip-cookies.html} (accessed March 29, 2012).)

become unlikely to research non-profit organizations and investigate the real impact their work has.

**The American Red Cross**

If a charity appeal comes from an established, well-respected organization, we are especially unlikely to research the group. For example, the American Red Cross is a household name that has been around for a long time and collects donations after every major disaster. When moved by a disaster like 9/11 or the earthquake in Haiti, most Americans would see donating to the Red Cross as a great way to help out. Yet the Red Cross is not at all the benevolent non-profit it pretends to be. In fact, the Red Cross operates under “government supervision;” the U.S. President appoints eight of the 50 governors of the board and also serves as honorary chairperson. A patchwork of the upper echelons of American society control the Red Cross: CEOs, military commanders, and high-ranking government officials. The Red Cross also enjoys considerable clout among the American public. For example, in the aftermath of Hurricane Katrina in 2005, the American Red Cross received about 70% of all the money donated to disaster relief by the public ($826 million out of $1.2 billion). Despite these charitable donations, FEMA and the affected states reimbursed the Red Cross for its emergency services, as was arranged by preexisting contracts. According to Critic Richard M. Walden, “the existence of these contracts is no secret

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33 Ibid.
35 Ibid.
to anyone but the American public.”

If the Red Cross is getting paid for its services by the government, why does it need to raise money from the American people? Walden explains that “the Red Cross brand is platinum. Its fundraising vastly outruns its programs because it does very little or nothing to rescue survivors, provide direct medical care or rebuild houses.”

Also in 2005, the federal and state governments gave the Red Cross $60 million in funding. And in 2010, Congress gave the organization $100 million more. Because of its unique standing as a pseudo-governmental entity, the Red Cross is also allowed to utilize government facilities and can have military personnel assigned to serve for it. The organization has also been criticized for raising money it claims is for disaster victims, and then saving large portions of it for other uses, such as fundraising. In 1989, the Red Cross raised $50 million for the victims of the San Francisco earthquake, but only a fifth of that money actually made it to the victims. The pattern continued with the Oklahoma Bombing in 1995 and a fire in San Diego in 2001. After 9/11, the Red Cross started a special fund to help survivors and families of the victims, and quickly raised $543 million. However, a Congressional investigation revealed that the Red Cross then decided to keep over half of the money. Red Cross president Dr. Bernadine Healy was forced to resign over the controversy, but that was not the end of the Red Cross’ irregular financial practices.

36 Walden, “The Red Cross Money Pit,”
37 Ibid.
38 Ibid.
40 Ibid.
41 Allen, “The Truth about the Red Cross.”
42 Ibid.
Over the years, many scandals have come to light about various Red Cross chapters’ inappropriate management of finances. In just the past five years, embezzlement lawsuits have been leveled against high-ranking officials in chapters in New Jersey, West Virginia, Oklahoma, Connecticut, Texas, Louisiana, Pennsylvania, Maryland, California (Sacramento chapter and Orange County chapter), Mississippi, New York, and North Carolina. Despite the organization’s clear inability to regulate its chapters and make sure they are dealing with donations legally, chief financial officer Jack Campbell maintains that the Red Cross is committed to “complete transparency” and that "our records are an open

43 Allen, “The Truth about the Red Cross,”
49 Ibid.
50 Ibid.
book”—clearly not the case when 13 Red Cross chapters are currently embroiled in lawsuits over their finances.

The organization also earns $1.2 billion a year reselling blood that citizens donate to its blood banks. In addition to selling donated blood to hospitals for money, the Red Cross has done unscrupulous things with its blood supply for years. Up until the end of World War II, they kept blood from Blacks and Whites segregated, and allowed their Southern chapters to continue to do so through the 1960s. Even worse, in the 1980s, the Red Cross helped spread the AIDS epidemic by deciding not to test their blood banks. In 1983, the organization conducted a cost-benefit analysis and decided it would be cheaper to pay settlements to those who got AIDS from a Red Cross blood transfusion, than to test all of their blood and discard the infected samples. The Canadian Red Cross followed the same policy, but has faced repercussions. It no longer is in charge of the country’s blood banks. It has been sued, and it has issued a formal apology and paid $55 million to victims, $1.2 million for medical research and scholarships for victims’ families, and $4,000 for violating Canada’s Food and Drugs Act. In contrast, the American Red Cross has made no reparations, has issued no apology, and remains in control of the largest blood bank in the U.S.—and most Americans have no idea about the scandal. In a twist of

57 Walden, “The Red Cross Money Pit.”
58 Allen, “The Truth about the Red Cross.”
homophobic irony, the Red Cross now refuses blood donations from gay men, because of the higher risk of spreading AIDS.\textsuperscript{61}

The accepted blood donors receive a sticker with their name on it that says “I\textsuperscript{make a difference},” and are encouraged to wear this sticker around all day as a supposed badge of honor. It is unfortunate that, in many cases, the only thing they are doing is providing the Red Cross with more product to sell. In fact, the American public funds the Red Cross many times over—by paying taxes, some of which Congress grants to the organization; by giving blood that gets resold for profit; and by donating. And yet critics charge that the Red Cross is largely unhelpful in its response to disasters.

The Red Cross is a large, bureaucratic entity that may not be familiar with local contexts. When it arrives in the aftermath of disasters abroad, such as the hurricane in Haiti, its “help” can undermine local relief efforts and breed dependency. Further, when a disaster happens, many people donate to relief organizations like the Red Cross, but not to the local, grassroots organizations that are essential to rebuilding communities after the immediate needs of food, shelter and medical help are taken care of and the people are ready to return to normal life.

After decades of unprincipled and illegal activity by the Red Cross, why isn’t the American public even a little bit suspicious? This thesis explores that question, as well as the underlying issues illustrated in this example: why Americans donate to charities they know nothing about, how the government and the owning class often

work together to control non-profits, how oppression (in this example, racism and homophobia) gets reproduced within non-profits, and how American organizations working abroad often end up doing more harm than good.

The Rules and Structure of Non-Profits

In this thesis I distinguish between non-profits, non-governmental organizations (NGOs), and foundations. The differences and structures of each are as follows. Non-profit organizations, which I will also refer to as charities, not-for-profits, and 501(c)(3)s, are public organizations that are recognized by the Internal Revenue Service Code 501(c)(3) as entities that generate money only for programs, services, operation of the organization, investments, real estate and paying staff members salaries and bonuses. Organizations focused on religion, education, science, literacy, the environment, hunger and housing issues, promoting amateur sports, community development, prevention of cruelty to children or animals, and other issues all qualify as 501(c)(3)s. Non-profits are tax-exempt under the 501(c)(3) designation, and donations made to these charities are tax-deductible. Non-profits receive other benefits from being 501(c)(3), such as reduced postal service fees and eligibility for grants from the government and foundations. But being 501(c)(3) also creates certain restrictions. Not-for-profits are not allowed to lobby, participate in political campaigns or elections, or attempt to influence legislation. Most non-profits are modeled after corporations, with a board of directors, executive

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director, and hierarchical power structure. Many rely on volunteers or unpaid interns for free labor. Not-for-profits depend on private donations, grants from foundations and the government, and retail operations like selling t-shirts or other items. The breakdown of grants vs. donations varies from organization to organization, but most not-for-profits depend on foundations for a significant portion of their budgets, and groups providing social services often rely on government grants.

Non-profits that operate their programs abroad are commonly referred to as non-governmental organizations. Thus NGOs have a very similar structure, culture and function to domestic 501(c)(3)s. NGOs are funded by private donations and grants from private foundations, government (often through the United States Agency for International Development), and international organizations like the United Nations.

Foundations, which are also 501(c)(3)s, are private organizations that are usually set up, endowed, and often named after one wealthy individual, called the trustee. They generally do not conduct their own programs, but give grants to non-profits. They too have a board of directors and corporate culture, and are often staffed by the trustee’s family members and friends. Foundations enable the super-rich to keep their money from being taxed by the government (see Chapter 3). While examining the rules and structure of non-profits is important to understand how they function in American society, it is also necessary to dissect the discourse we use to talk about these organizations and their work.

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65 Rojas, "Are the Cops in Our Heads and Hearts?"
66 Wilson, "In the Shadow of the Shadow State."
Non-Profit Terminology

In dissecting the discursive regime of development, Escobar reminds us that we have deeply internalized the assumptions of development. For example, in an anthropology class I took, the professor asked the room full of well-educated, supposedly critical-thinking liberal arts students to say the first associations that came to mind when we thought of the word “underdevelopment.” We listed the following words: poverty, hunger, struggling, hopeless, static/traditional, disease, uncivilized, slums, danger, inequality, pollution, violence, distant, overpopulated, uneducated, lacking, and needy. Though most of these students think of themselves as liberal and sensitive to multiculturalism, we have still deeply internalized devthink, the discursive regime of development.67 Our semantic connotations for “underdevelopment” reveal that we think of Third World countries as riddled with problems, and in opposition to the West. So when we think of Third World countries as poor and hungry, we are setting up a dichotomy in our heads through which we assume (falsely) that the U.S. does not have poverty, hunger, slums, danger, and other social ills. Even the term “developing” implies that these countries are both lesser than those in the West, and on a path to become Westernized. The term “Third World” evokes similar connotations. And yet, when we think about the poor in America, we have similar black and white perceptions (grounded in myths like the American Dream) that define them in opposition to “normal” Americans and lessen our sympathy for their plight. Anthropologist Majid Rahnema argues that,

The word “poverty” is, no doubt, a key word of our times, extensively used and abused by everyone. Huge amounts of money are spent in the name of the poor. Thousands of books and expert advice continue to offer solutions to their problems. Strangely enough, however, nobody, including the proposed “beneficiaries” of these activities, seems to have a clear, and commonly, shared, view of poverty. For one reason, almost all the definitions given to the word are woven around the concept of “lack” or “deficiency.” This notion reflects only the basic relativity of the concept. What is necessary and to whom? And who is qualified to define all that?68

“Poverty” has become a buzzword used frequently by governments, international agencies, and non-profits, which have the power to determine who is poor and who is not, and thus who needs their “help.”

Words matter. For example, Professors of Economic Development Brian Fikkert and Steve Corbett show that how we define poverty determines the possible solutions:

<table>
<thead>
<tr>
<th>If We Believe the Primary Cause of Poverty Is...</th>
<th>Then We Will Primarily Try to...</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Lack of Knowledge</td>
<td>Educate the Poor</td>
</tr>
<tr>
<td>Oppression by Powerful People</td>
<td>Work for Social Justice</td>
</tr>
<tr>
<td>The Personal Sins of the Poor</td>
<td>Evangelize and Disciple the Poor</td>
</tr>
<tr>
<td>A Lack of Material Resources</td>
<td>Give Material Resources to the Poor69</td>
</tr>
</tbody>
</table>

All of these solutions, except for working for social justice, casts the helper in the superior position and grants them the agency. Whether giving handouts, tutoring, or

evangelizing, these options deny the poor or other target populations the right to take control of their own lives. The helpers are meeting the receivers from a position of superiority and strength, while they could instead unite in solidarity and build community power to tackle an issue together. The desire to help people is deeply ingrained in us, but it is the desire to help in a way that mostly benefits ourselves (see Chapter 2). Americans love to feel that they are “making a difference” – but are they really?

Just as the way we characterize social problems defines the possible solutions, the words we use to discuss non-profits determines their possible actions. The term “non-profit” is currently in vogue. Unlike “charity,” “non-profit” emphasizes that the organization is just like a for-profit company, except that it does not make money for personal gain. The term prepares our minds to expect a non-profit to operate much like a business. Though there is a lack of critical analysis of non-profits in America today, there are some monitor organizations that focus specifically on evaluating non-profits in order to promote more informed giving. However, these organizations, such as Charity Navigator and Charity Watch, focus only on rating how well a non-profit acts like a for-profit. They assess 501(c)(3)s on measures like how much they spend on administrative costs, fundraising costs, and program costs, and other metrics like primary revenue growth, program expenses growth, and working capital ratio.70

While it can be useful to know how much a charity spends on its actual programs vs. overhead and fundraising, charity accounting is a very inexact science. Most charities are not audited on how much they actually spend on their programs,

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and there is a lot of grey area, meaning that most charities’ breakdown of expenses is actually just a demonstration of how they decided to do their accounting more than a measure of anything meaningful.⁷¹ These charity rating organizations do not assess the impact that programs have, just whether or not non-profits are conforming to corporate standards and culture. Thus, their ratings are often useless in determining the quality of an organization. For example, Charity Navigator gives the American Red Cross four out of four stars, with 59.02 out of 70 points on financial metrics and 70 out of 70 points on accountability and transparency.⁷²

While “non-profit” emphasizes organizations’ similarity to corporations, NGOs obviously highlight their similarity to governments. Especially in the developing world in which NGOs often fund schools, hospitals and other basic amenities and infrastructure, these American organizations can act like governing bodies over people who have no choice, vote, or other mechanisms to keep them accountable.

Deconstructing the American Helping Narrative

Though our current non-profit sector appears benevolent and useful on the surface, it is actually just another arm of the oppressive American system that serves to keep the subjugated in their place. It reinforces the same kind of domination that

missionaries have always tried to enforce, just in a more modern and politically
correct manner. In examining both non-profits’ work in poor American communities
and nongovernmental organizations’ (NGOs) work abroad, one can see how the same
methods used to oppress women and other minorities are also used to oppress the
poor—under the guise of helping them. These strategies are gift-wrapped; masked in
the pretext of benevolence, they become even harder to see and question.
Corporations and the super-rich capitalize on this and use NGOs to further their own
interests. Various American myths not only prevent the average person from seeing a
need to question corporate social responsibility and philanthropy, they also praise
these exploitative capitalists for how much “good” they are doing. Though this thesis
analyzes these myths throughout, this section provides a brief overview of how the
American helping narrative supports non-profits and their work.

Through internalized myths, our culture has taught us both to despise the poor,
and that we can and should “help” them in various paternalistic ways. The most
fundamental myth, the “American Dream”—the idea that anyone can “pull
themselves up by their bootstraps” if they just try hard enough—has successfully
encouraged people to look down on the poor for decades. This myth helps owning
class interests make the poor into an other by exploiting them through practices like
not paying them a living wage. Then, the wealthy deny this otherization by asking the
question, “If I managed to succeed, why can’t they?” Because they have rich social
power, the owning class gets to define the poor in ways that further their own agenda.
Indeed, the super-rich in America have become so powerful that they constitute a
plutocracy. When money controls who gets elected, which laws get passed, what gets
said in the media, and which social issues get funding, the illusion of American democracy rapidly crumbles. In order to hide their control, the rich propagate American myths. Oppression teaches oppression (that is how it perpetuates itself) but it also teaches the more insidious, harder to detect paternalism, which masks its true intentions. Oppression’s power to reinforce itself ensures that everyone with a little bit of power is working to maintain the system, because those who do genuinely want to help the marginalized get safely funneled into paternalistic efforts rather than true change (which would threaten the system). The result is oppression in the name of “freedom” – could anything be more American?

Average Americans also believe that they should “help out” by giving to charity or volunteering. A wide variety of paternalistic, Band-Aid solutions has cropped up for people who want to help. If Americans think that quality of education is a problem, they can help out by tutoring some low-income youth. If they think hunger is a problem, they can donate to a food pantry or volunteer at a soup kitchen. These kinds of “solutions” both ignore deliberate structural inequality and impose paternalistic solutions on the poor that make them feel even more inferior (while making the helpers feel great about the “good” they did). For example, Habitat for Humanity buses privileged people like university students to low-income areas for a short period of time like one or two weeks. These teams can come in, build or a repair a house, and leave feeling great about themselves without even having to interact with the locals. Additionally, giving small amounts of money or time allows people with privilege to keep feeling good about their status. These symbolic gestures reduce guilt or desire to change the system, because people get to rationalize that they “did their
part.” An individualized definition of social problems, in combination with small acts of charity, keeps the average American married to their status-legitimizing beliefs – that the system is fair and that they deserve what they have (and the poor thus deserve what they get).

Moreover, American myths give the oppressed false hope that if they just play the game, they can become accepted into the social order and can “succeed.” This delusion prevents large-scale rebellion. In the novel *Invisible Man*, the protagonist describes how White elites conspired to make him, an African American graduating high school in pre-civil rights era America, believe that he could gain acceptance into White society if he kept his head down and was humble and agreeable. However, they knew this was impossible, and were actually just trying to “keep this n----r-boy running.” American society has many ways to keep the oppressed “running” with false hope. For example, law libraries in prisons tell the victims of the racist, classist prison industrial complex that there is hope, despite the fact that systematic oppression will ensure that almost all prisoners are doomed. This kind of false hope can be a powerful motivator for oppressed people to comply with the systems that ensure their own oppression. The false hope is that you personally can rise up and succeed, not that your group can. Thus you are encouraged to compete with your peers for the chance to be the special one who manages to “make it.”

Non-profits’ Band-Aid solutions also use hope to prevent oppressed people from rising up. For example, low-income minorities who receive tutoring services get the false hope that they can succeed. However, this belief still defines “success” as

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moving up the capitalist ladder and “getting ahead,” which implies that one needs to beat others out and focus on one’s own fate. Thus, the solutions to the problems imposed by the system are actually just better survival within the confines of the system. People are then encouraged to think of themselves and not the oppression of their larger group, or only about their group and not others who are also systematically oppressed.

For instance, as White lesbians and gay men gain acceptance into mainstream American culture, they distance themselves from and even contribute to the marginalization of transgender folks and low-income LGBT people of color. Scholar of Latin American politics Brian Loveman argues that a social group only protests the social order so long as it is denied its privileges. Once accepted into the established order, groups are happy to finally gain its privileges, and come to recognize that the system can only continue if the lower classes are excluded, so they then help to keep other groups out. This makes perfect sense within a system in which oppression maintains itself by teaching oppression. For example, oppressed Black men learn to oppress Black women, rather than banding together to oppose the system.

Oppression is such a good indoctrinator that many internalize it. Feminist scholar Cherrie Moraga explains that, “it is frightening to acknowledge that I have internalized a racism and classism, where the object of oppression is not only someone outside my skin, but the someone inside my skin.” Escobar argues that

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devthink is internalized in the minds of Westerners and Third World peoples, and that the latter learn to see themselves the way that development defines them. Moraga shows how this same process has happened in the United States. Internalization of oppression, in combination with a shaming of the subjugated, fractures communities and erects barriers among individuals that could otherwise come together in the fight against injustice. This process renders people powerless, so they are then happy when non-profits try to “help” them. The system also keeps poor people struggling with the everyday logistics of surviving in our society. Between long application processes for programs like food stamps, constant check-ins at the welfare office, the trouble of going to different food banks and shelters (each of which is only open some of the time), and a lack of fast and affordable public transportation, being poor is a full-time job and the system keeps it that way on purpose.

Moreover, paternalistic attitudes are even worse towards people in developing countries. In this arena, there is not only the ideology of us vs. them, but also the idea that we need to “save” them. When asked to describe what being “poor” means for people in developing countries, Americans will almost always talk about material deficiencies, about a lack of stuff. But ask the poor themselves (as the World Bank did when they consulted 60,000 people from 60 low-income countries in their study Voices of the Poor) and a much different picture arises: a portrait of powerlessness, shame, inferiority and voicelessness. Paternalistic American efforts to provide people things therefore fail to address structural inequality and oppression, while actively promoting the same feelings of powerlessness, inferiority and shame that

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76 Fikkert and Steve Corbett, When Helping Hurts, 53.
cause many of the poor’s problems in the first place. Moreover, American organizations that provide material things like free food and clothing make the situation even worse by undercutting the local economy, creating dependency, and furthering disempowerment—while also allowing Americans to feel good about themselves for helping to “save” the poor (see Chapter 4).

With the focus outside of America, and thus outside the jurisdiction of the American Dream, what motivates a similar individualistic definition of social problems and “top-down, ‘I-am-here-to-save-you’ attitude”\textsuperscript{77} in response? Patriarchy provides a model for U.S. domination. In \textit{The Politics of Reality}, Marilyn Frye traces men’s domination over women to the male role as “arrogant perceivers”:

\begin{quote}
The Bible says that all of nature (including woman) exists for man. Man is invited to subdue the earth and have dominion over every living thing on it… Woman is created to be man's helper. This captures in myth Western Civilization's primary answer to the philosophical question of man's place in nature: everything that is is a resource for man's exploitation. With this world view, men see with arrogant eyes which organize everything seen with reference to themselves and their own interests.\textsuperscript{78}
\end{quote}

This description of women’s inferior position to men is analogous to developing countries’ position to the U.S. American capitalistic forces like government and business, which see the developing world as a place under their dominion that they can exploit at will. American arrogant eyes have wreaked havoc through unchecked political interference and military interventions, agreements such as NAFTA, and exploitative arrangements like sweatshops. Further, America has the power to determine what is “best” for developing countries, by perceiving their situation through arrogant eyes and thus providing “solutions” in ways that align with

\begin{footnotesize}
\textsuperscript{77} Ibid., 113.
\end{footnotesize}
America’s continued propagation of cultural hegemony, economic exploitation, and social control. Therefore, even NGOs that have genuinely good intentions are still blinded by the American way of arrogant perceiving. Thus, they are likely to implement paternalistic, non-participatory, even dictatorial solutions that often do more harm than good.

Americans participate in the system of non-profits by donating money, volunteering time, buying charity products, and attending events. Thus we continue to live the lies that make our lives possible – lies like “the poor want and need our ‘help’” and we are good people because we “help” them. Because non-profits know that Americans want to keep living these lies, they market their work to fit into these myths.
Chapter 2: Non-Profit Marketing Techniques

*The RED* pill makes you larger. Just say yes. *You buy a RED product over here, the RED company buys life-saving drugs for someone who can’t afford them over there. That’s it. So why not shop ‘til it stops. Why not try some off-the-rack enlightenment…. You will be a good-looking Samaritan.*

- Emporio Armani marketing video for Project (RED)

**Trigger-Phrases**


These catch phrases are familiar to every American, because we have all heard them countless times. Through the media, TV advertisements, billboards, direct mailings, and social media, all kinds of non-profits focused on different issues conform to the same rhetorical devices in order to elicit sympathy and donations. The use of the same familiar phrases fits into the frame of charity work that people have been hearing and expect to hear, and thus encourages people to donate money. For-profit companies use meaningless slogans to create a positive association with their products; non-profits use trigger-phrases to make donating money to their particular organization seem desirable. Corporations mask the evils they inflict on the environment and their workers with nicely designed logos and catchy slogans; non-profits follow this model.

Just as for-profit companies do not want consumers to conduct research and discover if their product actually works, which company’s product is the best value, or if the product was ethically made, non-profits’ use of trigger-phrases, images, and
other marketing techniques discourages a deeper engagement with what the organization does. Non-profits do not want potential donors to investigate charity work and determine which organization is the most effective or which, for example, treats its recipients with the most dignity – they want you to donate quickly, to their organization, and then go about your day. Again as is the case with for-profit companies, non-profits compete with each other and want to grow their own brand. Catchphrases and American myths are essential to this process, because the discourse non-profits use has been built using these myths. In fact, not only do charities rely on these myths for their messages to make sense, they also reinforce them through the language and images they use in their marketing appeals.

The most important frame charities employ is that of the privileged giver “saving” the needy receiver. According to the IRS, there are over 2,000 registered non-profits with “save” in the title.\(^79\) From Save Darfur to Save the Congo to Save the Children, Americans are moved by the call to “save” people or things because it puts the emphasis on the Americans who are doing the saving. It gives agency to those providing the help, and casts the receivers as helpless and inferior.

**Preying on Human Malleability**

Why do people give? There are many reasons why people choose to donate money to charity. This section will explore five main traits Americans have been socialized to have that non-profits exploit in order to generate effective giving. Generally, we give because it makes us feel good, we want to assuage feelings of

guilt, a third party has pressured us into feeling we must, we want to be admired and be seen as “cool” (through conspicuous consumption of charity related products), or we feel pity for something or someone we see as defenseless.

Feel-Good Giving

First, simply put, giving feels good, and generates “helpers high” or the “warm glow of giving.” Studies show that giving stimulates the brain’s reward center, the same area of the brain that makes rewards, food, and sex feel good.\(^8^0\) However, it is not just a feeling of positive affect. More importantly, the positive feeling is enhanced because we feel good about ourselves. It is not just the positive mood, but also the feeling that we are good people that makes us feel a righteous happiness. Because non-profit strategists and marketers know potential donors want to feel good, they center the helper in the discourse: they emphasize how important YOU are, how much their organization needs YOU and how grateful they are to YOU for YOUR support. Additionally, non-profits try to make giving as easy as possible because they know you know it feels good and that Americans love instant gratification.

New technologies, like social media and text-message giving campaigns, reduce the amount of time “getting involved” takes to seconds. However, “behavioral marketing approaches can make it so donors may not always know exactly what, or whom they are giving to.”\(^8^1\) For example, the American Red Cross launched a text campaign where you could simply text “HAITI” to the phone number 90999. The number 90999 belongs to the mGive Foundation, which allows many non-profits to

\(^8^1\) Karlan and Appel, More Than Good Intentions, 15.
use it, including the Red Cross, Amnesty International, and many others. Users text a code word, and then ten dollars is donated to their non-profit of choice via a charge on the user’s phone bill at the end of the month. With this marketing technique, organizations like the Red Cross put all the emphasis on how quick and easy it is to make a donation – and none at all on where the money is actually going and if their programs are successful. Additionally, text campaigns and other quick and easy giving tactics offer instant gratification. You only pay when your phone bill arrives, which you are already paying for—so at that point you do not mind the charge.82

Guilt-Motivated Giving

Assuaging guilt is another reason people donate to charity. There are many techniques non-profits use to make potential donors feel guilty. A classic one is sending small gifts such as address labels or a calendar with the organization’s name on it. Many people feel guilty using these items without donating to the organization, so end up contributing. But this is a deceptive way to illicit donations, because it makes people’s giving solely about their own feelings. This approach also diverts scrutiny about the not-for-profit’s effectiveness, when it actually should raise questions about the use of funds, because organizations often use donor money for things like glossy calendars.

A study by Cialdini and Schroeder found that non-profit marketing appeals can use very careful wording to increase people’s likelihood of donating. Specifically, they found that when solicitors added the words “even a penny will help” to an appeal

82 Karlan and Appel, More Than Good Intentions.
for the American Cancer Society, people were significantly more likely to donate. Previously, Cialdini and Schroeder had found that the problem with making small requests was that they result in small contributions. Adding “even a penny will help” were the magic words because this phrase is carefully crafted to imply that a small donation is acceptable, but not desirable.\(^{83}\) Guilt works in two ways here. First, the penny phrase makes you feel guilty – if even one cent will help, how can you possibly refuse to donate and still have a clear conscience? Then, once you have decided you will donate, guilt hits you again as you’re contemplating how much to give. Now that you have made up your mind to make a charitable donation, you would feel badly if you do not give more than a few cents. In fact, Cialdini and Schroeder found that using the phrase “even a penny will help” increased the number of people who decided to donate, and once the decision was made, their contributions equaled those of normal supporters of the American Red Cross.\(^{84}\) This study shows that guilt can be a powerful motivating factor both in the decision to give and in the amount given.

Studies of a phenomenon called “moral licensing” help provide a more nuanced understanding of how guilt can enhance donations while at the same time inhibiting a deeper engagement with non-profit work. One study by Dutton and Lennox explored this token giving phenomenon.\(^{85}\) Participants took a test, which the researchers claimed revealed that they were implicitly racist. Afterward, a Black beggar approached half the participants. Two days later, all subjects were asked to

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\(^{83}\) Karlan and Appel, *More Than Good Intentions*

\(^{84}\) Ibid.

help plan a “brotherhood week” to promote racial equality and friendship among diverse groups. Those who had given the beggar small donations of a few coins were much less likely to volunteer their time to help out than those who had not. Essentially, all participants felt guilty after learning that they were supposedly racist. But those given the option to make a negligible, token donation were able to assuage their feelings of guilt, and thus did not feel motivated to volunteer their time and effort. This is a disturbing finding, because it suggests that when people have the option to donate small amounts of money, they will not participate in a cause in a more meaningful way. New marketing techniques that seek to get people involved in minimal ways, such as online petitions that take 30 seconds to fill out, may also prevent people from committing in more meaningful or time-consuming ways. This is also why non-profits make the giving process quick, easy, and accessible. Once people can check “be a good person” off their “to do” list, they feel free to go about their day. They can be guilt-free about their privilege because the token act of giving maintains their self-perception as a good person who wants to help the world.

Additionally, a study by Mazar and Zhong looked at moral licensing in the context of “green” products, such as organic food and environmentally friendly paper products. It found that people who simply looked at green products were more likely to take actions reflecting social responsibility and ethical conduct. But those who bought green products were actually less likely to take socially responsible actions, such as recycling. This is another troubling result, because non-profits and for-profit companies are increasingly partnering to produce products that are either

green or include a small donation to charity (see Non-profit and Business Collaborations section). If people feel satisfied with their engagement after simply buying a product, they will never challenge the capitalist order that produces many of the problems these products are supposed to be combating.

*External Pressures to Give*

External pressure contributes to many people’s decisions to give. As discussed earlier, the norm of noblesse oblige encourages the privileged to feel they have a responsibility to try to "help" the "disadvantaged." One good example of this is high school students who feel pressure to perform community service in order to get into a good college. Here, students clearly have ulterior motives for "helping." My high school offered community service awards in gold, silver, and bronze to those who had done 100, 50 or 25 hours of community service, respectively. This distinction was provided primarily so that students could write it down in the Awards section of their college applications. Some would argue that, regardless of people’s intentions, their volunteer time or monetary contribution still makes a positive impact. However, those with ulterior motivations are by definition not truly engaged with the cause and are likely to do the minimum work possible. Elite universities encourage noblesse oblige by marketing themselves as community service-minded institutions. For example, Wesleyan University promotes itself to both students and staff who are interested in “making a difference”:
Additionally, the government encourages charitable giving by offering tax breaks. Again, many would praise this practice because it encourages giving. However, if the government truly cared about the people who need charity, it would do something more beneficial, such as raising the minimum wage or regulating capitalism in some other way. By offering a tax break instead, the government helps keep the focus on the giver, and the benefits the giver receives from making donations.

**Conspicuous Consumption and Conformity**

Finally, there is an element of social display that motivates giving. Non-profits know that people want to be admired and considered trendy, so they link giving to conspicuous consumption. By putting their logos and slogans on t-shirts,

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87 *Source: Wesleyan University website, accessed February 17, 2012 (fig. 1) and March 21, 2012 (fig. 2) (http://wesleyan.edu).*
bags, bumper stickers, bracelets, and countless other items, non-profits are taking advantage of people’s desire to conform, display, be in style, and be admired for their contributions to noble causes. But when charity and commerce become entwined, the message can get lost. For example, when Lance Armstrong started selling yellow rubber bracelets with the word “Livestrong” on them to benefit cancer research, they became a huge sensation. Because they became such a big trend, people bought and sold them off of eBay, meaning that the money did not even go to benefit the cause. Further, when a non-profit puts their logo on products, it increases the awareness and recognition of their brand. Such branding also makes people less likely to research a non-profit because when the name is recognizable, people feel comfortable donating even though the familiarity of a group’s name has nothing to do with its effectiveness. “Causumerism” (the new trend of mixing consumerism and charity) can lead to even more deep-seated and problematic issues (see Non-Profit and Business Collaborations).

Charitable giving and consumerism become especially linked around the holiday season. From Thanksgiving to New Year’s is the most important time of the year for non-profits, and many rely on this period to raise up to 60% of their annual budgets. In addition, an American Red Cross survey found that 82% of participants believe that “helping someone less fortunate is an important part of the holiday tradition.” Again, this belief maintains the focus on the giver, because they feel superior for having or being “more” while those in need are “less.” Non-profits tap into the “season of giving” by encouraging families to give money, toys or winter

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88 Hopfensperger, “Charity: Guilt, God or Tax Break?”
89 Ibid.
clothes. The problem with this strategy is that it relies on the materialistic definition of poverty by providing people, especially children, with things. On a deeper level, buying for your family and buying items to donate become conflated under the broader heading of “giving.” This intermingling is problematic because the holiday season promotes the most unnecessary displays of wealth and consumerism – but when it becomes mixed with charity, “giving” seems moral. People’s guilt about spending money on unneeded gifts is assuaged when they are also donating to charity. Thus, “giving” becomes moral, and by extension, so does capitalism.

Pity for the Defenseless

In addition to the focus on children around the holiday season, charities use kids to motivate giving year round. This is because children are seen as especially deserving of our pity and help. American mythology advocates that any adult should be able to “pull themselves up by their bootstraps,” and thus we have less sympathy for adults who are not successful. Kids are more likely to elicit our pity, because we see them as poor and defenseless. We do not blame them for their circumstances, and we like the idea that we could make a difference in a child’s life. In fact, a study by Small, Loewenstein, and Slovic showed that using one identifiable “victim” elicits significantly more donations than general information about widespread poverty. In the study, one group of participants was told that food shortages were harming more than three million children in Malawi. The other group was shown a picture of a seven-year-old girl named Rokia and told that “her life will be changed for the better
by your gift” – and they gave significantly more. Even in other versions of the study when groups were given the general information plus the picture of Rokia, or a picture of Rokia and another child, the group shown only the picture of one “victim” still gave significantly more.\textsuperscript{90} Similarly, another study found that a group told that one child needed $300,000 worth of lifesaving medical care gave significantly more than a different group that was told that eight children could be saved by medical care that would cost $300,000 to save all of them.\textsuperscript{91} Why are we more moved by one “victim”? America is devoted to the myth of individualism. Thus it makes sense that one “victim” would elicit the most pity. It helps emphasize the impact that you as an individual can have helping another individual, thereby furthering our society’s individualization of social problems.

Non-profits are aware of Americans’ susceptibility to pleas featuring individual “victims” and use it to their advantage in ways that are often deceptive. One example of many is Kiva, an organization that works to combat poverty by granting microloans to people in developing countries. On its website, Kiva has profiles of individuals who are seeking loans that include a short story of their lives, family, and struggles.\textsuperscript{92} The organization makes it seem like donors can browse through these profiles, find a story that moves them, and grant that particular individual an interest-free loan through Kiva. In reality, however, the people featured on the website have already received loans. When one makes a donation through

Kiva, the organization gives it to a local microlender, who then loans the money to a random client at an annual percentage rate sometimes as high as 70% APR (an astronomical interest rate that would never be acceptable in the U.S.). Kiva deceives donors by making them feel like they have a special connection with the person they think they are funding, and that their loan is interest-free. Microfinance itself is also a capitalist, neoliberal approach to reducing poverty (see Chapter 4).

Further, organizations focused on ending poverty and hunger often promote the individualization of social problems through the use of child “victims” in their marketing. For example, many organizations, such as Save the Children and World of Good, offer “sponsorship” programs in which donors “adopt” a particular child. These charities periodically send donors pictures of “their” child. World of Good also has the children in their program write letters to their sponsors, but censors the letters to make sure the kids are praising their sponsors as angels and saviors.93

Socialization in Childhood and Adolescence

Beginning in elementary school, through trick-or-treat for UNICEF, bake sales, and coat drives in the winter, children are fed the message that they have a responsibility to help others. Even the curriculum reinforces the need for charity. For example, Dr. Seuss’s classic The Lorax, which he himself called “pure propaganda,”94 intends to indoctrinate kids with the helping myth. While The Lorax appears to deliver an inspiring message of environmentalism, it actually fits into

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typical charity discourse and teaches kids the nature of subject-object dynamics, in which the rich have all the power and it is your responsibility to try to help the world by appealing to the wealthy to use their influence for good instead of evil.

*The Lorax* tells the story of the Once-ler, a capitalist, who comes to town and discovers he can cut down Truffla Trees to make Thneeds, useless articles of clothing. As the Once-ler continues to destroy the habitat, the Lorax periodically shows up and asks the Once-ler to stop his destructive business practices. The Once-ler does not listen, and continues to make his products until the last Truffla Tree is cut down. The Lorax sends the other creatures away and finally also departs, leaving only the word “UNLESS” spelled out in rocks before he does. Deconstructing *The Lorax* reveals many troublesome details.

First, all the main characters in the book are male. The Once-ler is a businessman, the Lorax is also male, and the Once-ler addresses the story to a young white boy. Making the protagonist male excludes girls and teaches kids that it is a man’s world. Additionally, the Lorax acts as if he controls all of the other creatures in the book and refers to them as “my” Barbaloots, “my” Swamy-swams, etc. And yet he takes it upon himself to appeal to the Once-ler on their behalf; he never once tries to organize the other creatures against the Once-ler to drive him out. In fact, when the Once-ler refuses to listen to the Lorax, the Lorax sends all the other creatures away, which precludes the Barbaloots and Swamy-swams from being active subjects and political agents. The Lorax appeals to the Once-ler to stop destroying the environment in a manner that allows the Once-ler to maintain absolute power. This is the same attitude we apply to philanthropists. When people become super-rich by exploiting
people and the environment, extolling their (comparatively) meager gifts to charity is celebrating the fact that they have used a small amount of their power for good rather than evil, without questioning the fact that they still possess too much power.

Further, *The Lorax* encourages kids to feel like they have a responsibility to try to help the world. The book’s ending drills this point in:

> But now, says the Once-ler,
> Now that you're here,
> the word of the Lorax seems perfectly clear.
> UNLESS someone like you
> cares a whole awful lot,
> nothing is going to get better.
> It's not. ⁹⁵

The message is not to stand in solidarity with those who have been wronged or build community power together, but to “help” them. Therefore, *The Lorax* teaches children that they are important, and helps encourage the kind of thinking that makes people feel they have an ethical responsibility to “save” poor people, countries, and even fictional characters. *The Lorax* teaches kids to help, but in a way that is not productive.

Kids continue to receive the message that they need to help others through junior high and high school, which delude students by making them think they are having a positive impact through paltry efforts. For example, many schools encourage their students to do community service on Martin Luther King Day, which the government promotes as “a day ON, not a day off!”⁹⁶ According to the government-

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affiliated Corporation for National and Community Service, “The MLK Day of Service empowers individuals, strengthens communities, bridges barriers, creates solutions to social problems, and moves us closer to Dr. King’s vision of a beloved community.” However, the one-day service MLK day promotes consists of events like serving at a soup kitchen for part of your afternoon. This kind of “help” has such a small impact; there is really no way that a couple hours of service can empower people, strengthen communities, bridge barriers, or solve any social problems. Moreover, this approach teaches students that just a few hours once a year is all they need to do. The only real impact it has is on the servers, who feel good about themselves.

In the rare case that students are inspired to get more involved, their attempts are misguided, because they have been socialized to believe that they have an ethical responsibility to “save” others. One example of this is 12-year-old Rachel Wheeler. At age nine, Rachel went with her mother to a meeting about Haiti, and listened to the organization Food for the Poor describe destitute conditions facing children. Inspired, Rachel spent the next three years raising $250,000, enough to build 27 homes with some money left over to work on the local school. She has visited Haiti twice, and the housing tract has been christened “Rachel’s Village.” “I don't believe I can snap my fingers and change Haiti overnight,” Rachel says. “I know I have to work at it.” The problem with this mindset is that Rachel believes it is her obligation to save Haiti. She knows it is a hard task, but she honestly believes that if she works hard, she can

97 “About Martin Luther King, Jr. Day of Service.”
99 Ibid.
“save” a whole country. Robin Mahfood, who works at Food for the Poor, agrees. “If everyone helped Haiti like Rachel, the country could stand on its own,” said Mahfood. “In five years, Haiti would be a completely different country.” This delusional statement ignores all of the structural causes of inequality. It especially ignores all the harm the U.S. has done to Haiti, which includes a history of military interventions and trade sanctions. Instead of looking critically at our country’s history of exploitation, we praise a young White savior. Also, if more people “helped” Haiti by acting as superior givers lending a hand to inferior receivers, it makes no sense to say that then Haiti could stand on its own. Rather, it would only serve to further the country’s dependency.

American society continues to foster the need to give and to help even after adolescence. Through TV shows, movies, newspapers and magazines, we receive the helping message throughout adulthood. For example, the women’s magazine Redbook features articles encouraging readers to “help” alongside features on fashion, makeup, dating advice, and weight loss tips. A recent article encouraged women to adopt orphans from poor countries in order to give them a better life. The article lamented recent child protection regulations that aim to curb corruption and trafficking, saying these laws have caused “a terrible crisis in international adoption” and have led to Guatemala, Vietnam, and Nepal prohibiting all U.S. adoption, “leaving thousands of kids in desperate need of homes.” Not only does this stress how badly the helper is needed, it also emphasizes America’s supposed unique ability to “help” these kids. The article features Dr. Jane Aronson, founder of Worldwide Murray, “American Girl.”

100 Murray, “American Girl.”
Orphans Foundation, describing a recent trip she took to an Ethiopian orphanage: “I bought them all three pairs of Crocs,” she recounted. “Whether or not they’re adopted, they have the right to live as my own children do.”

**Marketing and the Media**

Socializing influences from schools, the media, and our parents set the stage for non-profits to send messages in specific ways that fit into our national consciousness, i.e. our understanding of America’s role in the world and our perception of our own responsibility to “help.” Non-profits prey on what they know about human nature and American myths in order to craft the most effective advertising campaigns. For example, non-profits often include pictures in their advertising, frequently in a manipulative way. The way some non-profits portray the recipients of their programs is so exploitative that critics have termed it “poverty pornography.” These images, usually of children, show poor, dark-skinned children in wretched circumstances. They might have ripped clothes, look malnourished, or have tears running down their faces, while they sit or stand in dejected poses in front of a desolate background. They seem helpless, and they are always staring straight into the camera, making eye contact with you, begging you for help (and making you feel guilty). This tactic makes diverse circumstances, peoples, and countries all seem the same, playing into Americans’ uncritical understanding of life in developing countries. Further, poverty pornography diverts attention from the systemic causes

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102 Harris, “What Every Woman Should Know About Adoption.”
and effects of poverty, and focuses instead on you helping them, the dependent other.

One opponent of poverty pornography criticizes the story these photographs tell:

This message is a narrative that is an absolute myth on two counts. First, it strips the poor of the capacity, ability, power and sheer determination they possess to work towards an end to extreme poverty in their own lives. Anyone who has witnessed poverty firsthand, will readily acknowledge that among their numbers are some of the strongest willed, most tenacious people one could hope to meet. Of the 1.4 billion living in extreme poverty around the globe, there are countless unsung heroes.¹⁰³

How can not-for-profits work with the poor in a way that gives them power over their own lives when the organization views them in such a negative, helpless way? This tactic is just another way to privilege givers with the power to help the powerless poor, who are struggling in some faraway land. These images are everywhere.

For example, while reading an unrelated feature on CNN, I was bombarded with not one, but two advertisements using poverty pornography in just one short article. They were laid out on the page in a similar manner to how they are reproduced here, so as I scrolled down to keep reading, the boy’s eyes followed me. He looks sad, but also angry, as though I personally am letting him down. But when I clicked on this ad, it took me to a page where there were various articles on recent disasters. There were some ways presented on “how you can help,” yet none of these articles were about poor starving children in Africa, or anything about helping children abroad at all. The technique was used solely to get my attention and entice me to read more CNN articles. Poverty pornography has become such an established tactic that even businesses are using it.

Poverty pornography images are carefully manipulated to make their subjects look as downtrodden as possible. A critic of the practice, Duncan McNicholl, points out that many images are taken of the same child, each at a

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slightly different angle and portraying a slightly different emotion and story. Only the most pitiful depictions are chosen to become ads, thus objectifying the poor.\textsuperscript{105} Each kid becomes a poster child for misery, and is used to sell the product of charitable “aid.” To combat this, McNicholl started a project called Perspectives of Poverty, where he shows the same person twice, once portrayed in a typical non-profit marketing manner, and one looking their best. This project exposes the manipulation that other photographers use in their depictions of the poor and their lives.\textsuperscript{106}

Figures 5 and 6 (above) and 7 and 8 (below): McNicholl shows a woman with her child and a man from two very different perspectives.\textsuperscript{107}


\textsuperscript{106} Ibid

\textsuperscript{107} Source: ibid.
Videos using poverty pornography can be even more emotional and effective. In a typical example, celebrity Alyssa Milano explains a characteristic dire situation, using a familiar crisis narrative that non-profits apply to many different Third World countries. Throughout, a montage of dejected children is shown, accompanied by mournful music. Milano holds up two quarters, and asks the audience to pledge this amount a day to UNICEF, saying, “With just the cost of a coffee, you can save a life.” This plea reduces lives to a commodity similar to a simple cup of coffee. It portrays the poor as utterly helpless. The idea that 50 cents can make a real difference implies that the poor’s lives are so wretched, and that they are so incapable of bettering their living conditions by themselves, that the cost of a cup of coffee will actually improve their situation. This tactic is yet another that focuses on how easy it is for the helper to provide aid and how important they are for doing so. With this ad, UNICEF, like other non-profits, objectifies the poor and commodifies “lives saved” as the product it is “selling.”

Videos do not necessarily have to be straight poverty pornography in order to manipulate their audiences. Recently, non-profit Invisible Children (IC) released a 30-minute video on Youtube and Vimeo called Kony 2012 that went viral. In its first
day, four million people saw it, and after two weeks, 100 million people had seen it. Kony 2012 uses slick editing techniques, flashy graphics, and social media to portray a complex situation in an alarmingly simplistic light. The film’s narrative is framed through IC director Jason Russell’s discussion with his toddler about the “bad guy” Joseph Kony, who abducted over 60,000 children for his army of child soldiers, the Lords Resistance Army (LRA) during the mid-1980s to mid-2000s. The movie uses graphic images of the conflict and bombastic rhetoric about how Kony must be stopped. Yet, Kony has not been active in Uganda since 2006. Framing the story through Russell’s discussion with his toddler makes a complex problem seem simple and infantilizes the viewers. It also advocates an odd strategy to go after Kony, to “Make him famous. Not to celebrate him, but to bring his crimes to light.”

When a screening was done in Northern Uganda, where many people have been victimized by the LRA, they were so insulted that they threw rocks at the screen and left. Many Ugandans have voiced their unhappiness with the campaign, including the Prime Minister of Uganda. A woman who visited IC’s base in Gulu, Uganda in 2011 interviewed 50 locals about the organization and found that every single one of them was uneasy about IC’s interfering role in their community. “They come here to make money and use us,” locals told her. “It makes us feel terrible to be presented as

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110 *Kony 2012*.
being so stupid and helpless.”

IC’s goal is to “get Kony,” and their strategy is to make everyone aware of his crimes by having people share the video through social media websites like Facebook and Twitter; wearing bracelets and t-shirts that say “Kony 2012;” and plastering their communities with posters with the same message.

The film claims that US military intervention in support of the Ugandan army is necessary to capture Kony. However, as mentioned previously, Kony has not been active in Uganda since 2006. His rebel group has splintered, and most believe it now only contains between 250 and 300 supporters, who are spread out in several locations in the Democratic Republic of the Congo and South Sudan. Furthermore, the Ugandan Army itself has been accused of raping, looting, and murdering. The film also conveniently leaves out the fact that America has already gotten involved via AFRICOM, the Africa Command of the U.S. Army, through a CIA-led action in 2008 that actually made the problem with the LRA worse. Peace Talks between the Ugandan Government and the LRA broke down in 2006 when the International Criminal Court pushed for a military operation to capture Kony instead. Invisible Children’s fixation on military intervention (though it does not explicitly couch its strategy in these terms in the film) has caused some critics to charge that IN might be a CIA-funded front, to control the oil reserves that have been recently discovered in Uganda.

113 Manda ni, “The Problem with Kony 2012.”
114 Ibid.
115 Ibid.
Jason Russell describes himself as a “dream maker” who is a mix of Oprah, Steven Spielberg and Bono.\(^{116}\) He is clearly a self-aggrandizing egomaniac who runs IC in order to be able to make and act in films. His involvement in African affairs is mostly about himself, and thus it follows that he promotes involvement from teenagers in a way that will have no other impact than making them feel good about themselves. Even the organization’s name, Invisible Children, implies the all-important role of Westerners because it sends the message that it is responsible for making invisible African children seen.

**Non-profit and Business Collaborations**

*Project Red*

When charities and businesses collaborate, advertising campaigns can be especially exploitative of the people they claim to be benefitting. Project (RED) is a longtime partnership between several companies and the Global Fund to Fight AIDS, Tuberculosis and Malaria. Bono, the frontman of world famous Irish rock band U2, started Project (RED) in 2006 by convincing companies like Apple, the GAP, Armani, and others to donate a small portion (sometimes only 1%) of their profits of certain red-colored items like t-shirts and iPods to the Global Fund.\(^{117}\) Despite massive hype about the campaign, its first year saw (RED) companies spend $100

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\(^{117}\) Lisa Ann Richey and Stefano Ponte, _Brand Aid: Shopping Well to Save the World_ (Minneapolis, Minn.: Univ Of Minnesota Press, 2011).
million on marketing, but donate only $18 million to the Global Fund.\textsuperscript{118} There continues to be a lack of transparency regarding what percentage of profits goes to charity. Companies also receive massive profits from selling (RED) products that people feel good about consumption. Yet, many of the (RED) companies like Nike, Gap, Motorola, and Apple have been accused of exploiting Third World workers in sweat shops and using minerals from conflict zones in Africa (the purchase of which finances war lords who control mines). The negligible donations to the Global Fund therefore deflect attention from the problems these companies could actually help combat, if they simply carried out more ethical business practices. There is a problem when extreme poverty and disease become divorced from global capitalism, which is the illusion (RED) portrays (while also encouraging wasteful consumption):

> Within Project (RED), complex scripts of race, gender, and global economic inequality are ignored with justifications that “AIDS is an emergency” and, thus, normal rules do not apply. At the same time, the normality of consumption and the social and environmental relations of trade and production that underpin poverty, inequality, and disease are not questioned. It is also essential for Project (RED) that the beneficiaries are strangers, reduced to bare lives, which can be counted in the calculation of “lives saved” as easily as pill counts or merchandise inventory. Africans with AIDS are presented in smooth, virtual representations in which “global politics” is reduced to style.\textsuperscript{119}


\textsuperscript{119} Richey and Ponte, \textit{Brand Aid}, XII.
Essentially, Project (RED) commodifies lives and sells people good feelings through the idea that they have saved \( X \) number of lives. (RED) even provides an impact calculator that lets you track just exactly how many lives you are saving.\(^{120}\) With this tool, customers can add or subtract red-colored products like iPods, sneakers, t-shirts, greeting cards, and see the number of lives that they are saving. For example, adding an Armani watch provides 30 days of AIDS treatment.\(^{121}\) Not only does this encourage more consumption and spotlight the helper, it also furthers the separation between capitalism and injustice. In fact, Project (RED) not only obscures this relationship but reverses it by saying that capitalism saves lives, a scheme which authors Richey and Ponte refer to as the “myth of just capitalism.”\(^{122}\)

The new (RED) website claims that it is on a quest to “end AIDS” by 2015.\(^{123}\) The money (RED) donates is for antiretroviral drugs, which extend the lives of AIDS sufferers and can help prevent the transmission of HIV from pregnant mothers to

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\(^{121}\) Ibid., 123.

\(^{122}\) Richey and Ponte, *Brand Aid*, 170.

children. However, Project (RED) does not address condom use, rape and sexual assault, or other deep-seated issues that perpetuate the spread of HIV. (RED)’s portrayal of the epidemic simplifies a complex problem in a way that allows people to do something easy that makes them feel good and look good. It is therefore unsurprising that most people have failed to question its impact. A video advertising (RED) by Emporio Armani emphasizes the kind of attitude they want consumers to have about the campaign:

The RED pill makes you larger. Just say yes. You buy a RED product over here, the RED company buys life-saving drugs for someone who can’t afford them over there. That’s it. So why not shop ‘til it stops. Why not try some off-the-rack enlightenment…. You will be a good-looking Samaritan.124

This blasé narrative makes the whole situation seem very simple, and implies that no deeper connection or commitment to the cause is needed (while of course encouraging consumption). The use of “here” and “there” invokes an “us” vs. “them” paradigm in which Africans are not seen as humans but as the faceless other. Additionally, the pun of “good-looking Samaritan” invokes a religious connotation of charity – but tempers it by at the same time implying that one can “help” someone while also being selfish.

Moreover, the images (RED) uses help promote the myth of just capitalism. For example, this ad for American Express featuring world famous supermodel Gisele Bundchen and a Maasai man furthers (RED)’s mission to obscure the

124 Richey and Ponte, Brand Aid, 1.
relationship between products and their production by exploited Third World peoples. This is a play on American Express’s typical ad campaign, which features celebrities and the tagline “My life, my card.” But here, it is promoting the fact that a rich, privileged white Westerner can use her card to control the life of the “traditional” looking African and that he needs her (our) help.

*The Breast Cancer Movement*

The Breast Cancer Awareness movement has also become entangled with capitalism in disturbing ways. Cancer survivor Charlotte Hayley originally made a peach colored ribbon to represent the need to spend more money on breast cancer.

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125 Figure 10. Source: this ad appeared as a billboard and in various glossy magazines in September and October 2006. Reproduced in *Brand Aid.*
prevention. *Self* magazine and Estée Lauder cosmetics loved the ribbon and asked if they could use it, but Hayley said no because she feared (correctly) they would co-opt it. After legal consultation they realized they could steal it anyway as long as they changed the color, so they made it bright pink.\(^{126}\) Pink is now universally recognized as the breast cancer color in America, and many, many companies use it (to further their own interests). Some companies use the pink ribbon on products when they are donating a small portion of the proceeds to a breast cancer organization. Other companies give a fixed amount of money to a breast cancer organization, but make a line of pink clothing or other products anyway in order to encourage people to buy more (even though the amount of the donation is fixed). But the worst incarnation of this practice, what San Francisco non-profit Breast Cancer Action calls “pinkwashing,” is companies that use the pink ribbon even when they are not donating *any* money to any breast cancer organization. Companies can do this by claiming that they are “raising awareness” about breast cancer. Breast Cancer Action calls this pinkwashing because companies are using the pink ribbon to whitewash their true intentions and raise their company’s moral profile.

Other companies do a different kind of pinkwashing by offering to donate a small amount of the proceeds from items that are actually linked to *causing* cancer. For example, Susan G. Komen for the Cure, the largest breast cancer charity in America, did a promotion with pink buckets of Kentucky Fried Chicken, and also commissioned their own perfume that had toxic chemicals that have been linked to

Other companies like Revlon, Avon, and Estée Lauder also use the pink ribbon to mask dangerous ingredients in their cosmetics. Testing potentially hazardous chemicals is on a voluntary basis in the United States, and some ingredients used in cosmetics have been linked to diseases like cancer. As cosmetics giants, the most helpful thing Revlon, Avon, and Estée Lauder could do for women’s health would be to rigorously test the ingredients they use in their products, and stop using harmful ones. Instead, by hosting walks to raise money for breast cancer research, these companies deflect criticism from themselves while at the same time shifting emphasis to the individual women who raise the money by getting friends and family to “sponsor” them for their participation in the walk. Then, a large percentage of the money raised goes to overhead costs for hosting the event.

Many women find camaraderie at these walks, and bond over the similar struggles they have gone through. They also feel that they personally are “making a difference” with the money they raise. While camaraderie is a positive impact of the walks, some argue that these positive feelings actually serve to deflect scrutiny from the real causes of breast cancer. At the start of the breast cancer movement, in the 1990s, women were angry that they were suffering from disease with an unknown, and possibly environmental cause. Today, the focus has shifted from protesting to feel-good events where women celebrate their struggles rather than protesting to find the causes. As breast cancer survivor and activist Barbara Brenner comments, “what a

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change… we used to march in the streets, now you’re supposed to run for a cure.”

Another survivor comments, “I think the effect of the whole pink ribbon culture was to drain and deflect the kind of militancy we had as women who were appalled to have a disease that is epidemic, yet we don’t even know the cause of.” A big portion of the money raised from runs and walks goes to the overhead of putting on these events. Of the money left over, almost all goes to pharmaceutical research, not to investigating what actually causes breast cancer. Only 5% goes to prevention, and there is a lack of coordination among the donations, meaning researchers are not working together to make sure they are utilizing the funds in the most efficient way.

Not only does the happiness generated by these walks help deter more meaningful political action, it can also be harmful to women suffering from the disease, especially those who are low-income. Activist Barbara Ehrenreich argues that the current breast cancer movement enforces a “tyranny of cheerfulness” whereby having breast cancer has become painted as a transformative, great experience where you meet other strong women and your life is ultimately changed for the better. Ehrenreich, who has had breast cancer, laments that this tyranny does not allow space for grief over a terrible disease. To this end, corporations use the pink ribbon to “make [breast cancer] pretty and feminine and normal. It’s not normal. It’s horrible.”

Furthermore, the new, consumerist version of the breast cancer movement prioritizes privileged women. It is the privileged who can afford to buy

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128 Pink Ribbons, Inc., directed by Léa Pool (Montreal, Canada: National Film Board of Canada, 2012).
129 Ibid.
130 Ibid.
131 Ibid.
132 Ibid.
pink ribbon products, and, more importantly, it is the privileged who can afford topnotch medical care to successfully beat the disease. Likewise, the affluent have access to a social network of family and friends who are willing to donate to sponsor them for walking in the event.

Moreover, the reason the breast cancer movement has become so big is because corporations realized that it could be easily co-opted to generate more business. Even though lung cancer kills twice as many women per year as breast cancer does, and heart disease kills ten times as many, corporations choose to utilize breast cancer in their marketing for several reasons. First, breast cancer only affects women, who are the biggest consumers. Also, breast cancer is a subtle way to use sex in their marketing. For example, this ad objectifies women and the disease:

![Image of an ad objectifying women and breast cancer](Figures 11 (right) and 12 (below): images from Estée Lauder’s 2010 breast cancer awareness campaign.)

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133 Pink Ribbons, Inc.  
134 Ibid.  
It uses a picture of a perfect woman’s perfect breast, which obscures the reality of the ugly scars and mastectomies that actually come with breast cancer. As Ehrenreich argues, “[corporations are] co-opting breast cancer as a brand to market their products.”\footnote{Pink Ribbons Inc. \cite{136}} Similarly, this ad places the focus on women’s bodies by removing their heads from the frame:

![Ad Image](image)

While this ad is an attempt at depicting multiculturalism, it still portrays only perfect women with perfect breasts. Additionally, it sends the message, as Ehrenreich said, that breast cancer is pretty and normal and feminine, and focuses on consumption through the use of pink lipstick and pink ribbon bracelets. It also follows the trends of current American marketing techniques, which objectify women by focusing only on their bodies and showing them as sexualized beings. In conclusion, Brenner argues that “the disease has been hijacked by big corporations… such a tiny thing, a pink ribbon, hides so many secrets and lies.”\footnote{Ibid. \cite{137}}
Another problem with the American public’s uncritical praise of non-profits is that volunteers often do not look deeper into the organizations for which they raise awareness and funds. Many people who organize blood drives for the American Red Cross, participate in breast cancer walks, and host any number of other events to raise money have not thought critically about the organization they are supporting, or its financial practices or programs’ impact. Just as Rossiter argues that average Americans regenerate the “cultural pump” of American exceptionalism, despite having no ideological stake in it, volunteers inadvertently perpetuate non-profits’ helping narrative and deceptive marketing practices. This system works particularly well because people are especially likely to donate to charity (and especially unlikely to research the organization they are giving to) when their friends ask for support.

*Phantom Non-profit Organizations*

It is not just pink ribbons that hide secrets and lies. Over the years, several companies have taken advantage of the reverence American society has for 501(c)3s and created non-profit fronts behind which they could further their own interests through publically accepted and respected channels. For example, in 1994 tobacco giant Phillip Morris hired a public relations firm to set up a sham non-profit called Californians for Statewide Smoking Restrictions, which Morris supported with $18 million.\(^{138}\) Under the guise of advocating for harsher anti-smoking laws, Californians

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for Statewide Smoking Restrictions collected hundreds of thousands of signatures in order to get a referendum on the ballot for a bill that claimed to sanction stringent anti-smoking legislation. However, the proposed law actually would have implemented more lenient restrictions by replacing many different local laws with one statewide regulation that would have allowed for more smoking in restaurants and bars and lower ventilation standards.\textsuperscript{139} Morris relied on the mask of benevolence inherent in any non-profit and people’s accompanying disinclination to research such groups to fool hundreds of thousands of Californians into signing the petition to get the bill on the ballot. Fortunately, Californians for Statewide Smoking Restrictions’ ties to Morris were revealed, and advertising that exposed the true nature of the bill ensured that it was defeated. Unfortunately, phantom non-profits’ ties to corporations are not always exposed to the general public.

For example, Keep America Beautiful (KAB) has ostensibly been devoted to removing litter from communities since 1957. However, it was actually founded by the packaging industry, including American Can Company, Owens-Illinois Glass Company, Coca-Cola, the Dixie Cup Company, Richfield Oil Company, The National Association of Manufacturers, and other major players.\textsuperscript{140} KAB was invented to individualize the problem of excessive waste, by creating public education campaigns focused on curbing individuals’ bad habits and promoting laws that fine people who litter. This strategy successfully deflected scrutiny away from the packaging industry and discouraged regulation. Today, KAB’s CEO is a former


Pepsi Corporation vice-president, and it is still funded by corporations like Anheuser-Busch, Coca-Cola, and, of course, Pepsi. KAB’s current campaigns oppose mandatory recycling and deposit laws (which guarantee consumers five or ten cents for returning empty bottles, the cost of which beverage companies must cover). Despite the fraudulent nature of this “not-for-profit,” KAB remains the largest “community improvement” group in the U.S. and millions of Americans participate in its “Great American Cleanup” project every year.\(^{141}\)

It is not only corporations that concoct phantom non-profits to advocate for their interests in a scrutiny-free manner. For instance, the Church of Scientology created The Citizens Commission on Human Rights as a front for its anti-medical agenda. (Scientologists believe that all medical and mental health problems should be solved only through religion.) The Commission has accomplished some legitimate things, such as lobbying against electroshock therapy in 1979. Today, it continues to be perceived as a genuine “mental health watchdog” group. For example, it recently influenced the United Nations Committee on the Rights of the Child to include warnings about the over-medication of kids for attention disorders.\(^{142}\) Nonetheless, it also advocates Scientology’s insane positions on the mental health professions, such as that all psychiatrists form terrorist cells that conspire to systematically rape their patients and then cover it up with a combination of toxic drugs, electric shocks, and “ice-pick lobotomies;”\(^{143}\) and that the field of psychiatry is responsible for 9/11, the

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\(^{141}\) Smith, “Six Insane Conspiracies.”
\(^{142}\) Ibid.
Holocaust, and numerous other disasters.\textsuperscript{144} They also believe that psychiatrists used to live in the Marcab Confederacy, a group of planets orbiting a star in the Big Dipper, until coming to Earth 250,000 years ago.\textsuperscript{145} Scientology uses The Citizens Commission on Human Rights and other front groups such as Youth for Human Rights to make progress towards their goal of “obliterating psychiatry altogether.”

Again, the lack of scrutiny focused on non-profit groups prevents the average person from questioning the motives of seemingly benevolent organizations.

The U.S. government also creates phantom not-for-profits. One example is, Dairy Management Inc., which the U.S. Department of Agriculture created in 1995 to push Americans to eat more cheese after general preference for low-fat or fat-free milk left millions of pounds of milk fat unused.\textsuperscript{146} Although Dairy Management’s website now claims that it is not funded by the government or taxpayer dollars “to promote dairy products in the United States,”\textsuperscript{147} its revenue comes from government-mandated fees on dairy farmers, and the USDA also provided $5.3 million in funding in 2009 to promote dairy consumption \textit{abroad}.\textsuperscript{148} While another arm of the USDA, the Center for Nutrition Policy and Promotion, uses its $6.5 million budget to promote healthy diets, including those that minimize saturated fats, Dairy Management has an annual budget of close to $140 million to promote increased cheese consumption.\textsuperscript{149} According to \textit{The New York Times}, the USDA retains creative control over Dairy Management in that it monitors and approves the “non-profit’s”

\textsuperscript{144} von Marcab, “Scientology.”
\textsuperscript{145} Ibid.
\textsuperscript{148} Moss, “While Warning About Fat.”
\textsuperscript{149} Ibid.
marketing campaigns and corporate partnerships, chooses some top leadership positions, and requires it to report back to Congress on its progress (in terms of millions of pounds of cheese sold).\textsuperscript{150} Dairy Management has worked with Pizza Hut, Wendy’s, and Burger King, among others, to create super-cheesy dishes like BK’s Cheesy Angus Bacon cheeseburger.\textsuperscript{151}

When Domino’s Pizza was failing to satisfy its customers and make money in 2009, it teamed up with Dairy Management, which had Domino’s add 40% more cheese to its pizzas. Then, Dairy Management designed and paid for a $12 million marketing campaign to spread the word about Domino’s improved pies.\textsuperscript{152} Now eating just two slices of some Domino’s pizzas means ingesting more saturated fat than the USDA itself recommends you eat in a whole day.\textsuperscript{153} Domino’s “Wisconsin” features six different kinds of cheese on top and two more within the crust.\textsuperscript{154} Dairy Management was also behind the famous “Got Milk?” campaign, which marketed milk to kids, and a campaign that claimed eating dairy aided weight loss which they promoted from 2003 to 2007, despite the fact that a study that they commissioned in 2004 found no link between dairy and weight loss.\textsuperscript{155} Ironically, Dairy Management only ended the weight loss campaign when the Federal Trade Commission ordered they do so because of a petition filed by the Physicians Committee for Responsible Medicine,\textsuperscript{156} a group that is itself a phantom non-profit.

\textsuperscript{150} Moss, “While Warning About Fat.”
\textsuperscript{151} Ibid.
\textsuperscript{152} Smith, “Six Insane Conspiracies.”
\textsuperscript{153} Ibid.
\textsuperscript{155} Moss, “While Warning About Fat.”
\textsuperscript{156} Ibid.
While the Physicians Committee for Responsible Medicine claims to be a medical-based, health advocacy group, less than 5% of its members are actually doctors and the group has strong ties to People for the Ethical Treatment of Animals (PETA), an animal rights group notorious for their shock advertising tactics. The Physicians Committee claims that the cure to nearly every disease currently plaguing America is a vegan diet, and all of its advocacy focuses on promoting veganism.\(^{157}\) PETA funds the Physicians Committee,\(^ {158}\) and the groups share board members and accountants.\(^ {159}\) Because PETA’s outrageous ad campaigns have made it unpopular in mainstream society, it uses the Physicians Committee as a more reasoned and official-sounding voice to advocate for its goals, just as corporations use non-profit fronts to advocate for their own special interests.

These phantom commissions are often cited in the media as reliable sources, and perceived as independent voices. But once one follows the trail of money, their so-called benevolent intentions unravel.


\(^ {158}\) Smith, “Six Insane Conspiracies.”

Chapter 3: The Non-Profit Industrial Complex

*Cultures reproduce their own dysfunction.*

- Bob Steele

*Is it too much to hope that even Mr. Rockefeller will see, at last, that what we need in society is not charity but fair play?*

- Ida Tarbell, investigative journalist

**What Is the Non-Profit Industrial Complex?**

The aforementioned phantom non-profits seem like good organizations, until one follows the trail of money. Money also has a significant impact on legitimate non-profits, because they rely on foundation and/or governmental grants for a large portion of their budgets. Though most genuine non-profits are staffed and run by people who legitimately want to do good, the restrictions placed on them by funders and the government end up warping the organizations and making them part of the oppressive system of American capitalism. Though they are not intended as fronts for deception, as phantom non-profits are, many authentic 501(c)(3)s end up unintentionally doing harm as a result of restrictions placed on them by funders and the government. As part of the Non-Profit Industrial Complex, non-profits become depoliticized, corporate-style organizations with little possibility of working for true social change. Even in countries many Americans would consider repressive and “backwards,” such as those in the Middle East, widespread grassroots people’s movements flourish and have significant political impact, as seen in the Arab Spring. In contrast, mainstream Americans living in the “land of freedom” consider joining or
starting a non-profit organization as the only way to participate in “activism.” Why is America filled with organizations conforming to the 501(c)(3) structure, but nearly devoid of true grassroots movements? Longtime anti-violence against women activist Ana Clarissa Rojas Durazo notes the importance of self-reflection:

How did our movements come to look the way they look? Is the way we work, the way we prioritize and engage in social change reflective of the change we’re seeking? What kinds of communities and societies are our current social movements creating? Is the daily minutiae of our work consistent with our vision for a more just and peaceful reality? Who do we name as allies in our work? What is our accountability to each other, and do our “partners” share our commitment to ending violence against women? And what’s money got to do with it? In our efforts to fight violence against women, have we become complicit partners in [reproducing violence]?

These questions are important ones. Examining the history, and then current reality of the 501(c)(3) system sheds light on why the landscape of social justice shifted from broad social movements to many individual, sometimes competing, smaller organizations that make up one component of the social control apparatus known as the Non-Profit Industrial Complex.

The Non-Profit Industrial complex (or the NPIC) is a system of relationships between the State (or local and federal governments), the owning classes, foundations, and non-profit/NGO social service and social justice organizations that results in the surveillance, control, derailment, and everyday management of political movements.

This chapter examines how foundations and the state work together to manage and warp social movements, and keep reverence for capitalism and the American Dream alive. First, it is important to examine a brief history of how foundations function,

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160 Rojas, "We Were Never Meant to Survive," 113.
why they were created, and how they and government work together to form the NPIC.

**The Structure of Foundations**

If a person has $20 billion dollars, and they take $10 billion and create a foundation, society rewards them for being extremely “generous.” But that $10 billion sits in a foundation, which is only required to pay out 5% per year to grant recipients. Included in that 5% are rent and building costs, other administrative costs, and the salaries of trustees — yes, those who are “charitable” enough to donate their money to a foundation get paid a yearly salary from it, sometimes worth over a million dollars. If that wealthy person had instead paid taxes, that $10 billion would have gone to the government. Therefore, foundations allow extremely rich people to keep their wealth by avoiding being taxed. They can also pass down their fortune to their progeny through their foundations, thus also avoiding estate taxes. Foundations are named for their creators, who are then remembered for generations for all the “great” things they did. The largest “charitable donation” ever was when Warren Buffet gave $1 billion each to four foundations founded and run by his three children and his wife, respectively, while at the same time giving $33 billion to Bill Gates’ foundation. At the time, Gates was the richest man in the world. Gates’

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164 Ibid.
$31 billion gift to his own foundation is considered the second largest “charitable
donation” ever made.\footnote{Bishop and Green, \textit{Philanthrocapitalism}, 4.}

Additionally, the NPIC wields its money according to a three-tiered model. At
the top is money that foundations are not directly using at the moment. This sum gets
invested various ways, including into companies with bad track records on human
rights and the environment. For example, Bill Gates insists on putting his
foundation’s first-tier money into profitable, yet reprehensible companies because he
says that “share holder activism” (refusing to invest money in bad corporations in an
attempt to push them to improve their practices) will never make a change.\footnote{Ibid., 167.} On the
second tier is money that foundations use from day to day, for things like paying rent
and utilities on their lavish buildings, publicity campaigns, and their trustees’ salaries.
The final tier is the very tiny portion of foundation money that actually trickles down
to various non-profit organizations. But much of this last portion goes to elite pet-
causes like the opera and exclusive private schools and hospitals. Likewise, many of
the super-rich compete to give the largest donations to the “Big Four”: the
Metropolitan Museum, the Museum of Modern Art, the New York Public Library,
and the Frick Collection.\footnote{Ibid.} These upper-crust, well-established, already rich
institutions do not actually need the money. Thus, like charitable donations made by
average Americans, these gifts are more meaningful to the wealthy giving them than
to the recipients.

A society that praises the “generosity” of the super-rich fails to critically analyze the
means through which they accumulated that wealth, including exploiting workers and

\footnote{Bishop and Green, \textit{Philanthrocapitalism}, 4.}
\footnote{Ibid., 167.}
\footnote{Ibid.}
destroying the environment. The super-rich’s donations give them a free pass on their harmful business practices.

The History of the NPIC – Foundations

Foundations were first created in the era of the Robber Barons. Multimillionaires, such as John D. Rockefeller, Andrew Carnegie and Russell Sage invented the institution of the foundation for two purposes: to protect their wealth from being taxed both immediately and in the future (through estate taxes), and to improve their public image. In 1907, Sage’s widow started the first foundation. Rockefeller and Carnegie followed suit, establishing their own eponymous foundations in 1910 and 1911, respectively. Criticism was quick to follow: in 1916, the U.S. Commission on Industrial Relations investigated big foundations’ relationship to labor, and warned Congress that foundations “concentrated wealth and power in the service of ideology which supported the interests of their capitalist benefactors.” Despite the Commission’s critiques, Congress chose not to enact any regulation.

While some progressives were quick to realize and protest the moderating effects of foundations on radical movements, more criticism initially came from the right. Texas Congressman Wright Patman was a strong opponent of what he charged was a government subsidy of left-wing causes. He conducted a survey of foundations, and issued a report accusing them of consolidating power in the hands of the elite,

169 Smith, "Introduction."
170 Ibid., 5.
and the IRS of failing to regulate foundations appropriately.\textsuperscript{171} In response, Congress passed the Tax Reform Act of 1969, which established some rules; for example, foundations were required to report to the IRS annually and compelled to spend at least 6\% of their money per year (a 1988 amendment reduced it to 5\%).\textsuperscript{172}

As the number of foundations rose, individual and corporate giving also increased. With a pool of money ready and waiting for investment opportunities in certified 501(c)(3) organizations, many entrepreneurs began to create non-profits. Today, there are over 1.5 million non-profit organizations registered in America, and a new one is created every ten to fifteen minutes.\textsuperscript{173}

From early on, philanthropists realized that they could use foundations to shape the direction of social change and mold it into a more reformist, acceptable-within-capitalism version of its formerly radical self, thus serving their own interests. In 1936, Henry Ford established his large and influential foundation, one of the first to realize it could exert a powerful moderating force on radical movements.\textsuperscript{174} For example, in response to massive African American protests in 1967, the Ford Foundation gave millions of dollars to various groups that promoted a reformist version of Black Power.\textsuperscript{175} According to African American rights activist Robert L. Allen, the Ford Foundation funded the NAACP, the NAACP’s legal defense fund, the Urban League, the Metropolitan Research Center, and the Congress for Racial Equality (CORE), among others, as a strategy to deflect support from more militant

\textsuperscript{171} Smith, "Introduction."
\textsuperscript{172} Ibid.
\textsuperscript{173} Schimmelpfennig, “Test Your Knowledge.”
\textsuperscript{174} Smith, “Introduction.”
organizations. The foundation was careful to select groups that seemed militant enough to appeal to African Americans, but that would actually concentrate power in the hands of a new Black elite. It became “relatively easy for representatives of the privileged Black bourgeoisie to take control of organizations ostensibly dedicated to militant reform” and “the needs of the popular Black masses [went] by the board, and a new oppressive elite assume[d] power.” Similar to all foundation awards, the Ford Foundation grant money came with strings attached. For example, it gave CORE hundreds of thousands of dollars for “training of Cleveland youth and adult community workers, voter registration efforts, exploration of economic-development programs, and attempts to improve program planning among civil rights groups.”

With this money, CORE was allowed to pursue only these objectives. Previously, Black Power was a radical movement seeking to topple the unjust system. But, after receiving foundation grants, organizations like CORE instead focused on better integrating African Americans into this capitalist system. With money comes power, and the Ford Foundation thus empowered the more moderate strains of the Black movement to become dominant.

The History of the NPIC – Government

The government also realized it could exert significant influence on social movements through the non-profit system. Today, the government places official limitations on the political activities of 501(c)(3)s, such as the restriction against lobbying and campaigning for any candidates. Further, the government has

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176 Allen, “Black Awakening in Capitalist America.”
177 Ibid., 54.
178 Ibid., 56.
historically taken dramatic action against unwanted political activity. In 1956, the FBI launched the Counter Intelligence Program (COINTELPRO) to "increase factionalism, cause disruption and win defections" inside the Communist Party U.S.A. The program was soon expanded to spy on and infiltrate a variety of left-wing organizations the FBI considered "subversive," including those focused on socialism, women's rights, protesting the Vietnam War, and civil rights, among others.\(^\text{179}\) COINTELPRO used four main tactics to destabilize left-wing groups: (1) infiltration – agents attended group meetings and tried to disrupt them, and also fostered distrust within organizations by accusing legitimate activists of being agents; (2) psychological warfare – they spread false news stories, set up fraudulent activist groups, circulated lies about the activities of genuine groups, and bullied the parents, employers, landlords and school officials of activists; (3) legal harassment – the FBI conspired with police to make false arrests, forge testimonies, and conduct illegal surveillance; (4) illegal force – agents colluded with police to commit assaults, beatings and assassinations.\(^\text{180}\) The FBI’s stated objectives for COINTELPRO were "protecting national security, preventing violence, and maintaining the existing social and political order."\(^\text{181}\) Just like foundations, the government wielded its power to destroy radicalism and maintain the status quo.

COINTELPRO was officially suspended in 1971, after a group of left-wing activists calling themselves the Citizens’ Commission to Investigate the FBI stole

\(^{179}\) Brian Glick, *War at Home: Covert Action Against U.S. Activists and What We Can Do About It* (Boston, MA.: South End Press, 1999).

\(^{180}\) Ibid.

more than a thousand secret documents detailing the strategies and missions of COINTELPRO and leaked them to the press.\textsuperscript{182} However, “counterterrorism” policies under former president Ronald Reagan in the 1980s allowed a return to some COINTELPRO-style tactics.\textsuperscript{183} More recently, George W. Bush’s Patriot Act (which continues under President Obama) allows for widespread surveillance also under the banner of “counterterrorism.” In 2010, a U.S. Justice Department investigation launched after complaints by civil liberties groups found that the FBI illegally spied on the Thomas Merton Center (an organization focused on peace and social justice), People for the Ethical Treatment of Animals, The Catholic Worker, a Quaker peace activist, and Greenpeace. Members of Greenpeace were even added to the terrorist watch list.\textsuperscript{184}

Also in the Reagan (and Bush Sr.) era, the government worked to eliminate social services. In order to move away from the progressive emphasis on Community Mental Health (CMH), which focused on mental health in a holistic manner that included environmental, social, and political causes of problems, Reagan shifted public awareness and government support to combating substance abuse and waging the War on Drugs.\textsuperscript{185} He eliminated funding for CMH centers and instead poured money into substance abuse treatment centers, law enforcement, and advertising like the “Just Say No” campaign.\textsuperscript{186} Reagan utilized the War on Drugs to divert attention

\textsuperscript{183} Schultz and Schultz, \textit{The Price of Dissent}.
\textsuperscript{185} Keith Humphreys and Julian Rappaport, “From the Community Mental Health Movement to the War On Drugs: A Study in the Definition of Social Problems,” \textit{American Psychologist} 48, no. 8 (August, 1993): 892-901.
\textsuperscript{186} Ibid.
from American capitalist society’s systemic problems of inequality and poverty by instead blaming individual victims for their substance abuse problems. In order to successfully shift the focus, Reagan had to make the War on Drugs seem like the most pressing problem in society. In speeches and media campaigns, Reagan emphasized the immorality and danger to society of drug abusers, while Nancy Reagan drew on tropes of victimized children by using the plight of crack babies to stress the seriousness of the problem.\(^{187}\) Her “Just Say No” campaign also simplified a complex problem and focused society’s attention on the internal deficits of drug users (whom the campaign implied were not strong enough to “just say no”). Further, the government and foundations offered grant money to social scientists who were willing to examine the personality traits, genetics, and biological factors related to substance abuse, marshalling support for their victim-blaming ideology.\(^{188}\)

The War on Drugs also justified increased police control, the building of thousands more prisons, and the pathologizing of low-income minority communities.\(^{189}\) While spending millions on the War on the Drugs, the Reagan administration eliminated or reduced funding for many social safety net programs, including welfare, food stamps, job training for young people, and child-care subsidies for the working poor.\(^{190}\) As the government (along with foundations) sought to make social movements less radical while at the same time eliminating the social safety net, non-profits became the perfect solution. Instead of broad-based people’s

\(^{187}\) Humphreys and Rappaport, “From the Community Mental Health Movement to the War On Drugs: A Study in the Definition of Social Problems.”

\(^{188}\) Ibid.

\(^{189}\) Ibid.

movements, many small non-profits are easier to regulate and monitor. Because they have money, they remain the dominant structure – and thus can be used to manage marginalized Americans.

Today, the Non-Profit Industrial Complex works in tandem with the Prison Industrial Complex (PIC):

While the PIC overtly represses dissent, the NPIC manages and controls dissent by incorporating it into the state apparatus, functioning as a "shadow state" constituted by a network of institutions that do much of what government agencies are supposed to do with tax money in the areas of education and social services. The NPIC functions as an alibi that allows government to make war, expand punishment, and proliferate market economies under the veil of partnership between the public and private sectors.\(^\text{191}\)

Not only does the NPIC function as mask of benevolence that hides the government’s nefarious activities, it also helps to foster an individualized analysis of social problems that ignores structural inequality and leads to more low-income people and minorities being forced into the PIC. After the government and foundations marginalize radical movements, non-profits rise to fill the void, meaning that activists who want to get involved in organizing end up joining 501(c)(3)s that are monitored and regulated by the owning class. Then, the burden to provide a social safety net falls to these organizations, resulting in political activists operating a shadow state that subtly suppresses dissent, rather than fighting inequality.

Even non-profits that supposedly do political organizing or advocacy are forced to practice a tame version of it. It is commonplace for non-profits to take moderate actions like get a police permit in order to protest the police, register voters

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but avoid campaigning for a specific candidate, and shy away from hosting large
demonstrations because of insurance liability.\textsuperscript{192} Dylan Rodriguez argues that non-
profits are limited by something deeper than legal restrictions:

More insidious than the raw structural constraints exerted by the
foundation/state/non-profit nexus is the way in which this new industry
grounds an epistemology—literally, \textit{a way of knowing} social change and
resistance praxis—that is difficult to escape or rupture.\textsuperscript{193} [emphasis his]

Just as \textit{devthink} has colonized our minds, leaders of supposedly political
organizations have deeply internalized NPIC-propagated ideas of what organizing
and protesting should be – and in many cases, activists practice these moderate,
reformist actions without any critical analysis of how and why they have become the
only acceptable option.

The U.S. government continues to restrict non-profits’ political power. Last
year, the Supreme Court ruled that corporations are people, in terms of free speech,
meaning that they are allowed to contribute unlimited amounts of money to
politicians, campaigns, and political action groups.\textsuperscript{194} Only non-profit organizations
are excluded from this benefit. It is nonsensical that corporate groups seeking to
advocate for their own interests can give unlimited money, while 501(C)(3)s striving
for a more just society are prohibited from participating in politics.

\textsuperscript{192} Eric Tang, “Not-Profits and the Autonomous Grassroots,” in \textit{The
Revolution Will Not Be Funded: Beyond the Non-Profit Industrial Complex}, ed. by INCITE! Women
\textsuperscript{193} Dylan Rodriguez, “The Political Logic of the Non-Profit Industrial Complex,” 31.
\textsuperscript{194} Jack Shakely, “It’s Time to Write Off the Charitable-Giving Tax Deduction,” \textit{Los Angeles Times},
December 18, 2011.
The NPIC Today and Its Effects on Non-Profits

The NPIC today has three main effects on non-profits. Just as it did in the past, the NPIC wields funds as a weapon to make organizations less radical, separate social service provision from organizing work, and foster a corporate, professionalized structure and culture within non-profits.

De-Radicalizing Non-Profits

Similar to the de-radicalization of the Black Power movement in the 1960s, the LGBT movement has become a more moderate, reformist version of its formerly radical self. Transgender rights activists Rickke Mananzala and Dean Spade argue that, “the social justice focus was erased from the movement and replaced by a focus on formal legal equality that could produce gains only for people already served by the existing social and economic arrangements.”\(^\text{195}\) Most LGBT organizations now concentrate on anti-discrimination laws, such as those addressing employment discrimination, military inclusion, hate crimes, and marriage. Mananzala and Spade explain that “the thrust of these organizations’ work became seeking access and equality through dominant US institutions rather than questioning and challenging the fundamental inequalities promoted by those institutions.”\(^\text{196}\)

The largest and most prominent LGBT organization in the country is the Human Rights Campaign (HRC), which epitomizes the shift from radical movement


\(^{196}\) Ibid., 59.
to reformist 501(c)(3). The HRC fights for issues such as tougher sentences on hate crimes and marriage equality for gay men and lesbians. While the HRC claims to advocate on the behalf of all LGBT people, these laws would marginalize transgender people, as well as low-income and minority queer people. Transgender people often face police brutality, so the HRC’s push to embolden the police with even more power (through tougher hate crimes laws) discriminates against the transgender population. The HRC also supported the Employment Non-Discrimination Act, even after the provisions protecting gender identity were removed. The organization stated that it still supported the bill because it could at least gain some rights for gays and lesbians. However, this compromise could actually diminish support for transgender rights, because lawmakers may feel like they have already done enough to support LGBT rights.

Aside from grants from wealthy philanthropists and foundations, the HRC also receives significant income from its corporate sponsors. The HRC states that “the support from corporate America to the lesbian, gay, bisexual and transgender community is directly tied to HRC's overall success. Please show your loyalty and support by directing your friends and family to our Corporate Partners.” These partnerships show that the HRC is truly working within the confines of an NPIC controlled by owning-class interests. Among HRC corporate sponsors are exploitative Wall Street players Morgan Stanley, Goldman Sachs, Chase, Bank of America, Deloitte, Citi Bank, and Visa; environmentally destructive British Petroleum and

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Chevron; and notoriously abusive companies Nike and Microsoft. It is clear that the HRC is accountable to their funders – to the super-rich, to foundations, and to exploitative corporations. They are certainly not accountable to the “beneficiaries” they are supposedly serving, especially not transgender people.

Further, of the 19 ways the HRC lists for “getting involved,” 18 of them involve giving them money (giving a one-time donation, becoming a member, donating in someone else's name as a memorial, using HRC as a wedding registry, etc.). One can buy a wide variety of items, including clothing, accessories, home and office supplies, accessories for dogs, jewelry, watches, and even wedding rings from them. There is only one option, mentioned almost as an afterthought, to volunteer. Therefore it is evident that HRC is not building a grassroots movement of engaged activists, as they claim.

Foundations have done such a good job de-radicalizing social movements that Mananzala and Spade question whether the word *movement* itself has been co-opted. Activist Ruth Wilson Gilmore agrees and explains that,

Arguably, forms of sustained grassroots social movement that *do not* rely on the material assets and institutionalized legitimacy of the NPIC have become largely *unimaginable* within the political culture of the current US left. If anything, this culture is generally disciplined and ruled by the fundamental imperative to preserve the integrity and coherence of US white civil society, and the “ruling class” of philanthropic organizations and foundations may, at times, almost unilaterally determine whether certain activist commitments and practices are appropriate to their consensus vision of American “democracy.”

199 “The HRC Story.”
201 Rodriguez, “The Political Logic of the Non-Profit Industrial Complex,” 27.
Without base-building, bottom-up strategies or active leadership by the members of the populations most vulnerable to oppression, can it really be called a movement?\textsuperscript{202} Many non-profits claim they are starting or participating in a movement, but this is essentially impossible within the confines of the NPIC, and stating that a 501(c)(3) is a movement only works to diminish potential support for a real movement.

\textit{Separating Service Provision from Advocacy/True Organizing Work}

Government and foundation contributions fund very particular projects, usually ones that focus on either social service provision or political organizing. The segregated nature of funding streams has led to organizations themselves choosing between organizing or providing services. This trend has problematic consequences, because social services provided by non-profits become depoliticized, offering little opportunity for communities experiencing the effects of systematic oppression (e.g., poverty, homelessness, unemployment, health issues) to build networking relationships for analysis and resistance of this oppression when seeking services to meet their individual needs. Instead of survival services being a point of politicization, a locus from which people can connect their immediate needs to a community-wide issue of injustice or maldistribution, services are provided through a charity or social-work model that individualizes the issues to the particular client and too often includes an element of moralizing that casts clients as blameworthy for their need.\textsuperscript{203}

The Miami Workers Center argues that if presented along with a dialogue about oppression, service provision not only helps the poor deal with their circumstances, but can also build community power. As people come together to discuss how oppression has led them to need these services and what they can do together to

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\item[203] Ibid., 57.
\end{footnotes}
combat systemic inequality, social services can become more than a Band-Aid. How can non-profits “create change” if they are not allowed to address the underlying causes of inequality and oppression?

Another way providing services gets separated from working for social change is that organizations become consumed with the work of staying afloat, such as constantly writing and applying for grants, compiling reports, and leading funders on site visits. These duties, along with providing direct services, keep staff so busy that they do not have the time or the capacity to also take on the fight against institutional oppression. Funders recognize this and capitalize on it. For instance, foundations and non-profits work together to offer “leadership training” which recruits potential leaders and grooms them to be policy-makers and bureaucrats, rather than true organizers. This approach is also successful because it individualizes leadership. Those trained in bureaucracy take charge of tasks like grant-writing and then when successful get individual credit. Thus people feel good about the work they are doing, and feel no need to question it. People’s first priority becomes doing a good job—as defined by the external foundation that is holding the purse strings. Thus the desire to keep one’s job prevents more radical actions.

Even worse, working conditions in social service organizations are often close to exploitative, with long hours and meager wages. And, as charity worker Rob Ray points out, “it’s difficult to argue for better conditions when you’re being told ‘whatever we pay you comes out of the solution to the problems of the poorest people on earth.’” Non-profits also often rely on unpaid interns. Though the Department of

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204 Smith, “Introduction.”
205 Ibid.
Labor requires that unpaid internships in for-profit companies must be for the benefit of the intern, include a significant training aspect, and not displace paid positions, there are no such restrictions in the non-profit sector.\textsuperscript{206} Non-profits’ practice of using unpaid internships is exploitative to the interns who labor long hours doing significant work without compensation, and also classist, because only those who are well off can afford to work for free. Thus, this practice actually increases injustice rather than combating it.

Moreover, not only do the formerly or potentially radical activists get pushed in to the more reformist, basic-service organizations, these social services \textit{themselves} help quell potential radical uprisings by providing Band-Aid solutions that prevent outright protest.

Many would argue that grants from the owning class are the only way to fund organizations, because poor people cannot afford to do so themselves. However, many true grassroots movements throughout history have been funded by their constituents. The United Farm Workers (UFW), for example, led by César Chávez and Dolores Huerta, were required to pay membership dues, despite their extremely low wages. Chávez insisted that "this is the only way the workers will ‘own’ the organization."\textsuperscript{207} Throughout the 1960s and ‘70s, UFW won many victories for farm workers’ rights through strikes, protests, and other non-violent tactics.\textsuperscript{208}

Many non-profits become even further removed from their donors by using professional fundraising firms, which are paid to raise money over the phone or in

\begin{flushleft}
\textsuperscript{206} Smith, “Introduction.”
\textsuperscript{207} Eric Tang, “Not-Profits and the Autonomous Grassroots,” 217.
\end{flushleft}
person. These companies then get to keep on average 54% of the money raised, and sometimes much more.209

*The Corporatization of Non-Profits*

Further, this professionalization leads to a corporate culture:

In essence, our organizations have become mini-corporations, because on some level, we have internalized the idea that power—the ability to create change—equals money. The current non-profit structure is based on a corporate model, just as most of us organize our economic lives along corporate structures that are totally integrated within a larger dominant capitalist order: through our bank accounts, consumption patterns, and the taxes we pay. Because of this, it becomes harder and harder to entertain the possibility of restructuring our lives in a radically different way. After all, capitalism is not only around us in the society we live in—it is also within us in terms of what we value, how we live, and what we believe is possible.210

Non-profits are structured like corporations, with a board of directors and a hierarchical power structure. The people at the top are usually highly educated, with college degrees, and almost exclusively White and privileged.211 New graduate programs in Non-Profit Management and Fundraising/Grant-Writing are exacerbating this problem, because a degree is becoming required for leadership positions and this training prepares professional bureaucrats. Corporations are specifically set up to make millions for the CEO while paying the workers as little as possible. When non-profits mimic corporations, they end up reinforcing the same kinds of inequality they are supposedly fighting, because “cultures reproduce their own dysfunction.” For

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211 A 2000 survey found that almost all foundation employees belong to the owning class, and 90% of foundation board members are white. (Ahn,"Democratizing American Philanthropy.")
instance, a survey of 2005 foundation awards reported that only 4% of all grants went to minority-led organizations.212

The way grants are issued is also problematic:

Funders determine funding trends, and non-profits develop programs to bend to these requests rather than assess real needs and realistic goals. If we change our “product” to meet foundation mandates, our organizations might receive additional funding and fiscal security. But more often than not, we have also compromised our vision and betrayed the communities that built us to address specific needs, concerns and perspectives.213

Grants generally only provide money for one or two years, thus emphasizing short-term projects with quick results desired. However, this method of funding is not conducive to real social change. Funders enforce professionalization by requiring reports with concrete numbers, tables and graphs, assuring them that the programs have been executed as quickly, effectively, and cost-efficiently as possible (just like a business). The end result is valuable time and resources squandered because of the bureaucratic necessities of pandering to rich donors:

The reality is that foundations are ultimately interested in the packaging and production of success stories, measurable outcomes, and the use of infrastructure and capacity-building systems. As non-profit organizations that rely on foundation money, we must embrace and engage in the organizing market. This resembles a business model in that the consumers are foundations to which organizations offer to sell their political work for a grant. The products sold include the organizing accomplishments, models, and successes that one can put on display to prove competency and legitimacy. In the “movement market,” organizations competing for limited funding are, most commonly, similar groups doing similar work across the country. Not only does the movement market encourage organizations to focus solely on


building and funding their own work, it can create uncomfortable and competitive relationships between groups most alike—chipping away at any semblance of a movement-building culture.\textsuperscript{214}

While some radical activists have begun to dispute the corporatization of non-profits, most people working in these organizations today not only do not question the structure of their organizations, but actually pride themselves on how much they can operate like a business. The Internet is full of non-profit workers’ blogs, Webinars (instructive video lectures), and Tweets exchanging “best practices” on how to run the most effective non-profit business. As mentioned previously, charity rating organizations evaluate non-profits based on how well they approximate a business.

Activist Adjoa Florência de Almeida argues that,

\begin{quote}
We are so trapped into hierarchical, corporate, non-profit models that we are unable to structure ourselves differently, even when our missions advocate empowerment and self-determination for oppressed communities. When we begin to have the courage to imagine alternatives to the molds we find ourselves in, then we begin to practice what we preach.\textsuperscript{215}
\end{quote}

Currently, many activists are not able conceptualize alternatives to NPIC structures, a situation exacerbated by some philanthropists’ new, explicitly stated commitment to corporatizing the 501(c)(3) sector.

\textit{Philanthrocapitalism}

Many philanthropists (who made vast sums of money in business) have begun advocating that what non-profits need in order to have a greater impact is a big


\textsuperscript{215} de Almeida, “Radical Social Change,” 194.
measure of business acumen. Economists Matthew Bishop and Michael Green’s book on this new movement, Philanthrocapitalism: How the Rich Can Save the World, touts that “today’s philanthrocapitalists see a world full of big problems that they, and perhaps only they, can and must put right.” This theory insists that non-profits need a strong dose of business rigor, top talent, and an insistence on management best practice—and that philanthropists can enforce these ideas by working directly with organizations to infuse them with a capitalist perspective. The authors think they are presenting an analytical perspective by suggesting that,

There is a need for rankings based on what philanthropists actually achieve with their giving... Without such transparency, it will be no surprise if the public becomes increasingly skeptical about philanthropy’s effectiveness and starts to debate tighter regulation, such as limits on foundation size, tighter rules on which activities are eligible for tax-exempt status, representation by beneficiary groups on foundation boards, and so on.

Bishop and Green assume that representation by beneficiary groups on foundation boards is something undesirable that the public could demand if philanthrocapitalists are not careful. This statement reeks of superiority in its presupposition that obviously beneficiaries of charity are not capable of being community leaders, and that all decisions must be made by the wealthy.

**Corporate Influences on Non-Profits**

Just as foundations support reformist elements of social movements in order to de-radicalize them, corporations support charities in strategic, targeted ways that are often essentially bribes to convince non-profits to stop drawing attention to their

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216 Bishop and Green, *Philanthrocapitalism*, 3.
217 Ibid.
218 Ibid., 279.
exploitative business practices. An egregious example is Chesapeake Energy, a major player in the incredibly environmentally destructive gas-drilling industry, which paid well-respected conservation organization the Sierra Club $25 million to concentrate their advocacy on other issues instead.219

Likewise, food justice writer and activist Mark Winne argues that food- and hunger-based 501(c)(3)s have become so entangled with corporations that their partnership constitutes an agro-industrial/anti-hunger complex:

We now have food corporations, charities, and political players trading environmental sustainability, human health, and citizen democracy for political favors, donations for their favorite projects, and public relations gains... Is a greater good realized from the money provided by these companies than from the harm caused by their products? Does getting in bed with Wal-Mart to put pressure on their suppliers to reformulate their products, support more food stamp funding, or open more stores in low-income urban areas justify the millions of their employees who are paid less than a living wage and receive paltry benefits?220

Like philanthropists who make billions exploiting others and then donate a negligible amount to good causes, Big Agro-Business gets a free pass to continue its exploitative practices by making token contributions to non-profits. A case in point is Save the Children, which was planning a campaign against soda, but cancelled it upon receiving donations from Coke and Pepsi.221 Another example was when Winne spoke at a recent anti-hunger conference. His book, Food Rebels, which discusses the links between hunger issues and big food corporations, was banned from the conference because the event was sponsored by food conglomerates.222

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220 Ibid.
221 Ibid.
222 Ibid.
Duel Criticisms of Government

Critics of the NPIC argue both that the government does not get the money that it should through taxes (because the super-rich shelter it in foundations instead), and that government regulation and monitoring of non-profits has had a significant negative impact on social movements. Thus, these opponents want the government to get the money it deserves to provide for the people, while also arguing that the state does not have people’s best interests in mind. These seemingly contradictory arguments can be reconciled by examining some deep-seated issues in our current governmental system.

Due to a lack of campaign finance reform, only the rich can afford to get elected. Corporations donate large sums of money to campaigns and then are repaid in laws that advance their interests. They also spend millions on lobbying. Further, American myths (such as the idea that everyone can make it in “the land of opportunity” and that people just need to “pull themselves up by their bootstraps”) prevent many people from voting for candidates that would probably be the best for themselves and their communities. In the current system, it is more likely that the U.S. government would use extra money to finance other war, rather than provide much-needed social services. When members of the owning class float effortlessly between the elite institutions of government and philanthropy, it is unlikely that either will ever make things better for the majority:

While the ruling class might not all sit down together in a room and decide policy, members of this class do go to school together, vacation together, live together, and share ideas through various newspapers and magazines, conferences think tanks, spokespeople, and research advocacy groups. They do meet in Congress, corporate offices, foundation boardrooms, elite law firms, and in national and international gatherings to make significant social,
political, and economic decisions for their collective benefit. Perhaps most important, members of this class sit together on interlocking boards of directors of major corporations and wield tremendous influence on political decisions through lobbying, government appointments, corporate-funded research, interpersonal connections, and advisory appointments, as well as the power they wield through direct economic and political intervention in local communities and in the affairs of other countries.223 [emphasis his]

The NPIC is just one expression of the state-corporate alliance that protects owning class interests and privileges by controlling the masses. Community organizers with Sista II Sista Collective, which is trying to resist the NPIC by giving up its 501(c)(3) status and becoming a volunteer and grassroots organization, comments that “overdependence on foundation fundraising weakens our imagination and poses one of the greatest threats to our movements. In reality, we should not expect much from something that was never created with our benefit or interests in mind.”224

Resisting the NPIC

Like Sista II Sista Collective, some organizations have realized the consequences of accepting foundation money and are working to resist the system. The Sylvia Rivera Law Project (SRLP) provides an inspiring example of how an organization can manage to exist within the 501(c)(3) structure without being co-opted. SRLP was created to focus specifically on transgender issues and on low-income people of color after mainstream so-called LGBT organizations like the

224 Nicole Burrowes et al., “On Our Own Terms,” 233.
Human Rights Commission privileged the rights of white lesbians and gay men, and chose to work for reformist goals within the system. In contrast, SRLP prioritizes low-income people of color in its mission to provide free legal help to transgender, intersex, and gender-nonconforming communities facing discrimination.

The organization is a non-hierarchical collective in which all staff members are paid the same salary, regardless of their levels of education. The organization consists of six committees, and each has self-determination over its own goals and how it does its work. The organization comes together for a retreat once every six months for the committees to share what they are working on, and to ensure that all members of the collective come to consensus on both the overall direction of the organization and the individual projects of each group. This way, SRLP manages to be efficient and effective, without typical hierarchical power structures. Additionally, the organization agreed that their membership should be at least 51% transgender and 51% people of color in order to properly represent its constituents. Right now, it is actually 86% transgender or people of color.225

SRLP is also committed to constantly analyzing how oppression can worm its way into even their own organization.226 They evaluate how racism, sexism and classism emerge internally and work to combat them. While SRLP manages stay radical within the confines of 501(c)(3), it is a rare exception to the rule. Further, even with the organization’s mindful purpose to resist the oppressive structures of the non-profit sector, this is a difficult task that takes huge commitment and constant maintenance.

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225 Mananzala and Dean Spade, “The Nonprofit Industrial Complex and Trans Resistance.”

226 Ibid.
Chapter 4: The Development Aid Industry

“The U.S. way of life has become a religion which must be accepted by all those who do not want to die by the sword – or napalm.”

- Ivan Illich

_It took Britain half the resources of this planet to achieve its prosperity. How many planets will India require for development?_

- Mahatma Gandhi, 1945

Just as the Non-Profit Industrial Complex functions as an alibi that allows the government to avoid providing basic social services and expand social control and repression domestically through the Prison Industrial Complex, the development aid industry works as a benevolent mask that conceals America’s imperialism and military interventions. The CIA has even partnered with foundations such as Rockefeller and Ford. The development aid industry is composed of a constellation of powerful players that works in concert: governments, corporations, international institutions like the United Nations (UN), World Bank, and International Monetary Fund (IMF); foundations, and NGOs. America promotes development by giving aid through two channels: official loans and NGOs. Just as average Americans become propagators of American exceptionalism, they also become propagators of the myth of America’s helping role abroad by starting their own NGOs. This section begins with a brief overview of official U.S. government aid, which has paved the way for American NGOs to become powerful institutions in developing countries.

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227 For example, the CIA partnered with the Rockefeller foundation and sent agents disguised as missionaries to Latin American countries, proselytizing locals and using them to pass information to the CIA that helped with extracting resources and undermining leftist governments. (Smith, “Introduction.”)
A Brief History of Aid

The idea of large-scale international aid arose in the wake of World War II when the U.S. realized it had the opportunity to exert cultural hegemony. To this end, the U.S. invited delegates from 44 countries to New Hampshire for the Bretton Woods Conference in 1944,²²⁸ ostensibly to discuss the economic repercussions of the war and work towards international economic cooperation. The result was the creation of the World Bank and the IMF, cooperative economic institutions able to give loans to countries in need. In probably the only truly successful aid project, the World Bank and the U.S. (through the Marshall Plan) granted billions in loans to rebuild Europe. This aid was successful because it was given to Western nations that already had established institutions in government, education, commerce, and health that simply needed rebuilding. However, aid given to countries emerging from centuries of colonialism lacked such institutions, and therefore aid money neither helped establish them nor made up for their absence.²²⁹

In contrast, a history of colonialism and aid given to former colonies actually led to the development of underdevelopment.²³⁰ Just as dominating countries exploited their colonies for labor, land, and resources, the aid industry allows them to continue this subjugation. In the period after de-colonization, Western world powers were eager to provide aid to their former territories, as a means of extending influence.

²²⁹ Ibid.
and control.\textsuperscript{231} For example, Great Britain passed the Colonial Development and Welfare Act, which provided a plan for newly independent states that included technical and administrative assistance that helped Britain remain superordinate.\textsuperscript{232} In post-independence Africa, new government leaders were so happy to finally get self-determination from their former colonial masters that they did not want to risk jeopardizing their superior position by extending that power to the rest of society. Thus local elites became the “new occupiers of state machinery”\textsuperscript{233} and, following in their former colonizers footsteps, their main objective became to develop. In keeping with colonial-style arrangements, newly independent states framed their goals in injustice:

\begin{quote}
The discourse was not about development in the sense of developing the productive forces. It was about creating an infrastructure that advanced the capacity of the new ruling class to accumulate and smoothing those inefficiencies that hampered the capacity of international capital to continue its exploitation of the country.\textsuperscript{234}
\end{quote}

As development became the most important goal, civil and political rights for the majority took a backseat as the new elites worked to maintain and grow their power. At the same time, the U.S. used aid as a weapon against Communism, and in doing so supported many corrupt and/or repressive rulers, to the detriment of the masses.

Aid always comes with strings attached, and in the 1980s, the West foisted its neoliberal mission on grantees by requiring “stabilization” and structural adjustment programs (SAPs), which enforced liberalization policies such as devaluation of currency, removal of subsidies, reduction of tariff barriers, raising agricultural

\textsuperscript{231} McLaughlin, “World Bicycle Relief.”
\textsuperscript{232} Ibid.
\textsuperscript{234} Ibid.
commodity prices, cutting back on bureaucratic employees, selling off national industries, deregulation of prices, and lifting restrictions on foreign investment.\textsuperscript{235} These requirements wreaked havoc on already struggling economies, thus furthering dependence on foreign aid. In addition, from 1982-1990, developing countries were forced to pay back loans totaling an astronomical $1,345 billion dollars, while at the same time receiving $927 billion more in loans that they would have to repay at full interest.\textsuperscript{236} In many cases, developing countries were remitting more than half of their export earnings to creditors. In the 1990s, the IMF passed a debt relief initiative, but put restrictions on what the money that was not paid back to creditors could be used for.\textsuperscript{237}

International aid organizations and governments continue to entangle their aid with specific restrictions. During the 1990s, pushing grantee countries to adopt political reforms and become more democratic was in vogue, though unsuccessful – similar to today’s trendy yet meaningless emphasis on “sustainable” development. Former aid industry worker Leonard Frank argues that,

\begin{quote}
 Development, as in Third World Development, is a debauched word, a whore of a word…. It is an empty word which can be filled by any user to conceal any hidden intention, a Trojan horse of a word. It implies that what is done to people by those more powerful than themselves is their fate, their potential, their fault.\textsuperscript{238}
\end{quote}

Indeed, development is an empty word that is thrown about by the powerful players that use it as a guise to mask their exploitation of the Third World. Despite all of the

\textsuperscript{235} Manji, “The Depoliticization of Poverty.”
\textsuperscript{237} Ibid.
“help” provided to developing countries through aid, this money has not reduced poverty or helped the majority of people. For instance, despite receiving millions in aid for decades, Sub-Saharan Africa was poorer than ever in 2001. Yet powerful players keep pretending to “help” the poor by providing aid and running NGOs, which have become institutionalized into an industry.

How the Aid Industry Functions

In the development industry, governments, international agencies and corporations develop agendas and fund NGOs to carry them out. One of Africa's leading experts on law and development issues Professor Issa G. Shivji explains that, “In the NGO world, it is not at all ironic that a non-governmental body is assigned by the government to do a governmental job funded by a donor agency that is itself an outfit of a foreign government.” This collaboration emphasizes the fact that, even though many people found NGOs because of a genuine desire to “make a difference,” the aid industry (like the NPIC) is a nexus of interlocking power entities that use aid to further their own interests. The United States and individual rich Americans wield significant power in this system. For example, the Gates Foundation sits on the board of the Global Fund alongside sovereign nations and the World Health Organization, and it has more money than 70% of countries in the world. Moreover, because

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239 McLaughlin, “World Bicycle Relief.”
241 Bishop and Green, Philanthrocapitalism.
NGOs report to their donors in the West, they are even less accountable to the “beneficiaries” of their programs:

Local officials face less pressure to provide public services or cultivate a sustainable tax base when donors fund schools, health care facilities, and infrastructure. And since it is outsiders—not the government—providing these services, citizens have no means to hold them accountable for quality.243

Also like the non-profit sector in America, NGOs have become professionalized and thus value the maintenance of corporate-like structures and bureaucracy over fighting for social justice. Shivji explains that,

While most African NGOs may insert visions or mission statements (such as “empowerment” or “poverty-reduction” in their charters, these are vague, amorphous and often meaningless. In any case, they are quickly forgotten and what takes over are the so-called strategic plans and “log frames” that can be tabulated, quantified and ticked for reports and proposals for more funding. The “success” of an NGO is measured by how efficiently it is managed and run and the criteria for measuring efficiency are borrowed from the corporate sector.244

The established NGO sector is professional and corporate. Yet, there has been a proliferation of do-it-yourself aid, in which young people get inspired, move to the Third World, start up an organization, and think they can “make a difference” (with little knowledge about the complexities of the situation). This trend has sparked criticism from established development workers, who believe that aid should remain professional. For example, graduate student in international development Dave Algoso states:

I understand that many people have a very intense need to believe that they can, without guidance or experience of any kind, go and do aid, do disaster relief, do development. Although few express it in these terms, essentially

243 Dave Algoso, “Don't Try This Abroad,” Foreign Policy, October 26, 2010
they fervently want to believe that what qualifies them is simply their desire to “make the world a better place.”[emphasis his]

Essentially, American myths are so powerful that they can influence people not only to donate money but also to start their own organizations. Again similar to Rossiter’s cultural pump of American exceptionalism, Americans are so convinced that giving aid to Third World countries is the right thing that they take on providing the aid themselves by starting NGOs. However, the problem with the debate over whether aid practitioners can be uninformed yet passionate young people, or must be seasoned professionals, is mute, because neither group should be imposing their American ideas on what Third World communities need. The idea that Americans must help Third World peoples comes with the implicit assumptions that those in developing nations are desperately in need of help from foreigners, despite the fact that there are locally-founded and –run community groups all over the world. It also includes the idea that Americans are especially benevolent because they are making the sacrifice of residing in a developing country, which has, on average, a lower standard of living.

However, most Americans do not realize that many development workers who reside in Third World Countries have an extravagant lifestyle and do not treat the locals as equals, especially in Africa. Journalist Lara Pawson reveals that, “From the moment a Western aid worker arrives in Africa, he or she joins the upper echelons of the social and economic hierarchy. His or her living standards are on par with the local elite – a far cry from the average African household.”

245 Algoso, “Don’t Try This Abroad.”
247 Ibid.
usually receive new 4X4s, even in cities with good roads, because these vehicles afford them such a high vantage point that they can literally stay physically removed from the local people. Workers also get prime housing, often in compounds of only aid professionals, surrounded by high fences and armed guards. They also have African drivers, house-keepers, and chefs to serve them. “Expatriates enjoy a lifestyle that is beyond the wildest dreams of most Africans.”

Moreover, local staff members who work alongside the comparatively wealthy foreigners are paid only “local wages.” When there is a security risk, conflict, or natural disaster, foreign workers are evacuated, while their indigenous counterparts are abandoned. Pawson charges that the discrepancy between wages, lifestyles and protection from NGOs between Westerners and locals constitutes a “charitable apartheid.” Despite these problems, aid is entrenched and has no signs of dissipating anytime soon.

The Toxicity of the Aid Industry

The aid industry has become toxic, institutionalized and entrenched in developing countries. It generates millions of dollars a year (in aid workers’ salaries, living expenses, conferences, office space, and transportation). According to development researcher Thomas Dichter, the aid industry has “built thousands of substantial organizations employing hundreds of thousands of professionals to manage all this work. And for years we have spent between $50 billion and $60

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249 McLaughlin, “World Bicycle Relief.”
billion per year and have lamented that it is not more” – and yet, true improvements in sustainable development are rare.\textsuperscript{250}

Furthermore, Kenyan journalist Rasna Warah argues that,

The development industry is perhaps the only industry in the world where results – or the bottom line – do not determine whether or not it will survive. If results mattered, then many donor agencies and NGOs would have closed shop years ago when confronted with the fact that their work had neither reduced poverty in many countries nor had it made people living in them less dependent on aid – which ultimately, should be the main objective.\textsuperscript{251}

The aid industry is self-perpetuating, which is fundamentally at odds with its ostensible mission. It is also propped up by an accompanying academic discipline, which recruits development disciples and keeps itself relevant through academic majors, journal publications, conferences, institutes and the like.\textsuperscript{252}

African investment banker Maini Mwanga charges that “new organizations seeking funding create a perceived need for their existence.”\textsuperscript{253} Mwanga adds that,

All you have to do is learn the peculiar language that NGOs use, be adept at writing reports and proposals that flatter your sponsors and damn your rivals, and learn how to drive a 4X4. NGOs create employment, though of an economically unproductive kind, for people who feel themselves too educated or morally elevated to engage in mere commerce.\textsuperscript{254}

Unfortunately, the aid industry will continue because “there is too much money involved, and too many careers at stake, for aid ever to be abandoned.”\textsuperscript{255} The aid industry is detrimental to developing countries in two ways: it masks foreign powers’ harmful intentions, as well as its own nefarious agenda.

\textsuperscript{250} McLaughlin, “World Bicycle Relief.”
\textsuperscript{252} McLaughlin, “World Bicycle Relief.”
\textsuperscript{253} Ibid., 53.
\textsuperscript{255} Ibid., 159.
The Harm Aid Masks

In the colonial era, missionaries acted as a benevolent mask that attempted to hide or mitigate the evils of domination. Today, the aid industry obscures the exploitative neoliberal practices of domination. For example, trade agreements such as the North American Free Trade Agreement and the Central American Free Trade Agreement “enabled transnational corporations to steal indigenous land and labor, forcing (often at gunpoint) subsistence-based agrarian communities into market-system dependence, largely through the privatization (i.e., theft) of natural resources.” Furthermore, resource extraction agreements between corrupt government elites and transnational corporations rob Third World peoples of their countries’ most valuable resources. For example, Teodoro Obiang, the dictator of Equatorial Guinea, has amassed more wealth than Queen Elizabeth II by selling almost all of his country’s oil to American companies like Exxon Mobil, Marathon, and Hess, while his people live in extreme poverty. Similarly, the Democratic Republic of the Congo (DRC) exports minerals worth hundreds of millions of dollars per year, but these exports are barely taxed, meaning that the people of the DRC never see any of these profits. Another example is transnational fishing fleets, which have destroyed the livelihoods of local fishermen by overfishing and damaging ecosystems in many developing coastal areas. These examples of corporations’ ability to convince elites in developing countries to exploit their own people

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256 Tang, “Non-Profits and the Autonomous Grassroots,” 221.
258 Ibid.
259 Ibid.
demonstrate why many developing countries with rich natural resources often fair worse than those that have none.\textsuperscript{260}

Moreover, the Gates Foundation donates money in order to distract from its investments, as well as the negative impact Microsoft has on developing countries. Even though the Gates organization is the largest foundation in the world, and requires its grantees to “promote the … availability of inventions for public benefit in developing countries at reasonable cost”\textsuperscript{261} it invests in terrible corporations, such as the world’s most environmentally destructive and social irresponsible companies. As of 2007, $8.7 billion of the Gates Foundation’s money (41\% of its assets) was invested in corporations that countered the foundation’s charitable goals or socially concerned philosophy.\textsuperscript{262} For example, the Gates Foundation owns $295 million worth of stock in BP and $35 million worth of stock in Royal Dutch Shell, the two companies that own Sapref, an oil plant that has had over 20 major spills, flares, pipeline ruptures and explosions since 1998 and has caused major health problems for the people living near it.\textsuperscript{263} Gates insists that he should invest his foundation’s money in the most profitable companies possible, so that he can have the most money to give in charitable grants. He also claims that “share holder activism” (refusing to invest money in unscrupulous corporations to push them to improve their practices) will never make a change.\textsuperscript{264} However, because Gates is so influential, Douglas Bauer, senior vice president of grant maker Rockefeller Philanthropy Advisors, argues that if

\textsuperscript{260} Singer, \textit{The Life You Can Save}.
\textsuperscript{261} Piller, “Dark Cloud.”
\textsuperscript{262} Ibid.
\textsuperscript{263} Ibid.
\textsuperscript{264} Bishop and Green, \textit{Philanthrocapitalism}, 167.
Gates were to switch to investing that reflects his foundation’s supposed goals and values, the shift in the world of philanthropy would be “seismic.”

Moreover, the Gates Foundation also holds stock in pharmaceutical companies that insist on keeping drugs prohibitively expensive for AIDS patients. In 2005, the foundation owned $1.5 billion in drug companies stocks whose practices have been criticized widely for restricting the distribution of necessary medicines to Third World peoples. The Gates Foundation gains hundreds of millions of dollars from these investments, but has another stake in the matter. These pharmaceutical conglomerates are allowed to keep drug prices prohibitively high because of the international treaty on Trade-Related Aspects of Intellectual Property Rights (TRIPS), a trade agreement which Big Pharma lobbied for and won, which prohibits making inexpensive generic versions of drugs that could serve the poor in developing nations. Thus some drugs, like Kaletra, a drug that can help extend AIDS’ patients’ lives when normal antiretroviral drugs have failed, has only one supplier by law, which controls the prices for the world. Though some drugs are sold at reduced prices in developing nations, only a small sector of the rich elite can afford them—certainly not the majority. Gates claims that fighting the AIDS epidemic is his foundation’s number one priority. So why does he not speak out against TRIPS? Microsoft depends on the same intellectual property rights laws to maintain its monopoly, which has made Gates the bulk of his fortune. Daniel Berman, deputy director in South Africa for Doctors Without Borders, argues that “the Gates

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265 Pillar, “Dark Cloud.”
266 Ibid.
267 Ibid.
268 Ibid.
Foundation is in a position to change the dynamic, to make sure that drugs get first to the places they are most needed. But it conflicts with the interests of Microsoft.”

The Harm Aid Itself Inflicts

As stated previously, the aid system fosters corruption within Third World governments, which ends up weakening developing countries and furthering their dependence on aid. Zambian economist Dambisa Moyo argues that,

In an aid-dependent environment, the talented – the better-educated and more principled, who should be building the foundations of economic prosperity – become unprincipled and are drawn from productive work towards nefarious activities that undermine the country’s growth prospects. Those who remain principled are driven away, either to the private sector or abroad, leaving the posts that remain to be filled by the relatively less-educated and potentially more vulnerable to graft.

No matter what Western countries or international organizations claim they are doing to “spread democracy,” aid corrupts governments and makes life worse for the inhabitants of developing countries. And, just as 501(c)(3)s in the U.S. end up producing the same inequalities they are attempting to combat, “NGOs have, unwittingly or unwillingly, inserted themselves over the last few decades as part of the very infrastructure of the political economy that reproduces the unequal social relations of post-colonial Africa,” argues NGO veteran Firoze Manji.

Further, Warah argues that the aid industry indoctrinates Third World peoples to internalize their own oppression:

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269 Pillar, “Dark Cloud.”
The UN system routinely labels countries as “least developed” or “developing” based on national data and statistics on income, literacy and longevity. This classification forms the basis of most UN and World Bank reports and is used by rich nations to determine which countries qualify for aid and debt relief. So modern-day Egypt, Iraq and India, places where civilizations thrived long before the birth of Christ, are now deemed “developing countries” by the vast pool of statisticians, demographers and economists employed by international development agencies. Countries and regions that were once pioneers of innovation, art, and science, whose people invented the wheel, operated complex irrigation systems and built architectural marvels such as the Taj Mahal, now happily accept this classification because it allows them to bargain more effectively for foreign aid.\textsuperscript{272}

These formerly innovative cultures now rely on foreign aid for the most basic of services, which prevent these societies from achieving self-determination. Moyo demonstrates how these paternalistic services undermine the local economy when she tells the story of a well-meaning attempt to combat Malaria:

There’s a mosquito net maker in Africa. He manufactures around 500 nets a week. He employs ten people, who (as with many African countries) each have to support upwards of 15 relatives. However hard they work, they can’t make enough nets to combat the malaria-carrying mosquito. Enter vociferous Hollywood movie star who rallies the masses, and goads Western governments to collect and send 100,000 mosquito nets to the affected region, at a cost of a million dollars. The nets arrive, the nets are distributed, and a “good” deed is done. With the market flooded with foreign nets, however, our mosquito net maker is promptly put out of business. His ten workers can no longer support their 150 dependents… who are now forced to depend on handouts.\textsuperscript{273}

While programs like this are quick and efficient in the short term, they only create more problems in the long run and further dependency. There are many aid programs that involve donating goods, and they are almost always detrimental to local communities (see Bad Aid Programs below).

\textsuperscript{272} Warah, “The Development Myth,” 8.
\textsuperscript{273} Moyo, \textit{Dead Aid}.
Moreover, NGOs depoliticize poverty by ignoring its root causes and focusing on professionalized “best practices” to try to alleviate it. Manji explains that in the post-colonial period, “The victims of years of injustices, whose livelihoods had been destroyed by years of colonial rule, were now defined as ‘the problem,’ and once so defined provided the stage set for the entry of the development NGO to participate in the process of depoliticizing poverty.”\textsuperscript{274} In just one example, a group of Kenyan peasants were forced to abandon their land and move to a less nutrient-rich area that required extensive labor to produce a subsistence living. When NGOs focused on “sustainable” and “participatory” ways the peasants could work together to survive on the land, the need for land reform (long overdue since colonial seizure of land) was forgotten.\textsuperscript{275} The depoliticizing of poverty happens when the language of rights, justice and equality is replaced by aid, (paternalistic) charity, technical expertise, neutrality, and professionalization, and the development discourse subsequently precludes any alternative ways of thinking.\textsuperscript{276}

Worst of all, Manji also argues that the quest for development laid the groundwork for many ethnic-based conflicts in Africa. He explains that after colonialism, social movements focused on rights were marginalized and repressed by new elites seeking to maintain their power. NGOs were partially intended to replace the old political movements by being “neutral” alternatives. However, with the decline of political movements, people began to rely on old social alliances based on ethnic ties. New governments exacerbated this problem by bringing development not to the areas that needed it most, but to ethnic voting blocs that the state wanted to

\textsuperscript{274} Manji, “The Depoliticization of Poverty, 178.
\textsuperscript{275} Ibid.
\textsuperscript{276} Ibid.
curry favor with. Then, when the crushing economic reforms of structural adjustment programs (SAPs) fostered unrest, it manifested along ethnic lines. For example, SAPs led 85% of Rwandans to fall below the poverty line and there were many angry protests. This tumultuous time caused the government to worry about maintaining its power so much that it decided to make the Tutsi a scapegoat and began distributing hateful propaganda against them, which eventually resulted in genocide.\footnote{Manji, “The Depoliticization of Poverty, 178.} Manji argues that many African ethnic conflicts can be traced back to the development regime.

*Development Itself Is Bad*

Not only does aid not work to promote development, some argue that development itself should not be the goal. Recently, there has been literature that criticizes the development-is-God assumption, such as *The Post Development Reader* anthology. In its introduction, Iranian diplomat Majid Rahnema posits that

A merciless war [has been] waged against the age-old traditions of communal solidarity. The virtues of simplicity and conviviality, or noble forms of poverty, of the wisdom of relying on each other, and of the arts of suffering were derided as signs of underdevelopment… [Younger men have departed] their villages, leaving behind dislocated families of women, children and older men who had no one to rely on but the promises of often unattainable goods and services. Millions of men and women were thus mortally wounded in their bodies and souls, falling en masse into a destitution for which they had never been culturally prepared.\footnote{Rahnema, Majod. “Introduction,” in *The Post Development Reader*, ed. Majid Rahnema and Victoria Bawtree (London: Zed Books, 1997), X.}

Radial theorist Ivan Illich argues that this is a process of reification, the means through which real needs get transformed into desire for mass manufactured products. An example is how Third World people’s thirst gets translated into the desire for Coca-Cola. Through development, corporations not only mask their inequitable practices, they also turn Third World people into their customers, raising demand and ensuring the continuation of their exploitation.

**Harmful Aid Programs**

Short-term aid trips are one of the many bad aid programs currently in vogue. People pay thousands of dollars for plane tickets to go to a developing country for a short time, usually one or two weeks, and participate in projects like building a house. Volunteers spend so much on plane tickets for what ends up being a negligible impact on local communities when they could have donated the money instead. They can also undercut the local economy; for example, carpenters get put out of business by volunteer groups that build things for free. This trend demonstrates that the trip is clearly mostly about the experience and feelings of the volunteer. The developing world is also considered exotic, leading to a trend called “voluntourism,” whereby people travel to the Third World to simultaneously be tourists and volunteers.

Illich argues that volunteer trips exacerbate the powerlessness that poor people in developing countries feel, while allowing volunteers to feel great about themselves as they (willingly or unwittingly) export “the American way of life.”

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280 Ibid.
American university students who were about to embark on a humanitarian trip to Mexico, Illich harshly critiques “U.S. idealists” who export a culture in which a small elite class “succeeds” to the detriment of the rest of the population – under the guise of “helping” these people. Illich describes a cultural war in which “the U.S. way of life has become a religion which must be accepted by all those who do not want to die by the sword – or napalm.”  

The U.S. government works to implement war, but “weapons are not enough to permit minority rule. The marginal masses become rambunctious unless they are given a ‘Creed,’ or belief that explains the status quo. This task is given to the U.S. volunteer.”  

American students and NGO workers who volunteer abroad are thus soldiers in the war for U.S. domination and cultural control – and the fact that they may have good intentions does not lessen the damage they do.

Further, when volunteers go abroad, the people they interact with are often only those who have already been converted to exalt the American way of life. This is because Americans usually cannot speak the native language, so the people they work alongside are those who are highly educated and speak English. Often, these are privileged people who have already benefitted from an American-style cultural system, and are therefore happy to tell American volunteers that they are “doing good” and “making a difference.”

There are many other forms of aid that are mostly about the feelings of the helper and that breed dependency, especially those that incorporate an aspect of

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281 Ivan Illich, “To Hell with Good Intentions,” Speech given at the Conference on InterAmerican Student Projects in Cuernavaca, Mexico on April 20, 1968.
282 Ibid.
283 Ibid.
consumerism. Just like Project (RED), Tom’s Shoes uses conspicuous consumption and the myth of just capitalism to promote its “One for One Movement,” in which the company donates a pair of shoes to a child in need in a Third World Country for every pair of shoes sold. The Tom’s model is undeniably clever: the company manages to sell people cheaply made shoes for expensive prices (from $44-$98 a pair), because they are also selling good conscience.

However, providing shoes for free undercuts the local economy and puts local shoe-sellers out of business. Tom’s spends money making their shoes, packaging them, shipping them abroad, and organizing the “shoe drops” when they could take all that money and buy many more shoes from local shoe makers. Tom’s promotes shoes as an important item to donate because children living in unsanitary environments can contract diseases through their feet. However, children who have grown up barefoot have strong, callused soles. Upon receiving a pair of Tom’s shoes, children may wear these shoes for about a year, after which the shoes are probably completely worn out or the child’s feet have grown. Then, children must walk around in unsanitary environments without calluses, leaving them even more vulnerable to soil-borne diseases. Therefore, Tom’s actually ends up making problems worse for the children they claim to be helping. Yet people are often seduced by this mix of charity and commerce, in which they get to feel good about themselves and get something material they want (see Chapter 2).

Essentially, sending almost any material goods to the Third World will further dependency and undercut the local economy. Food aid has undermined local food

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285 Ibid.
production and distribution networks.\textsuperscript{286} Used clothing donations lower local production and employment (a study by economist Garth Frazer found that used clothing donations were responsible for 40\% of the decline in textile production and 50\% of the decline in employment of workers who made and sold apparel during the period from 1981-2000)\textsuperscript{287}.

One kind of aid that takes a different approach is microfinance. In contrast to gifts of material things, microfinance is marketed as an empowering kind of aid that gives the poor determination over their own lives by providing them with loans to help them expand small businesses. However, the loans generally offered to the poor are at extremely high interests rates, and, despite many studies, there is no definite evidence that they actually work to successfully reduce poverty.\textsuperscript{288} Furthermore, microfinance projects an image of being an ideology-free innovation. Yet, it is actually intimately tied to neoliberalism.\textsuperscript{289} The microfinance model, which features NGOs or companies giving loans to the poor, individualizes the so-called solution to poverty. Instead of state-provided social services, microfinance provides people with a small amount of capital and then expects them to “pull themselves up by their bootstraps.” It is therefore a model that ignores structural inequality and unfair globalized trade agreements and privileges those with a knack for business, rather than promoting poverty reduction for all. Microfinance also promotes liberalized markets and commercialization, hallmarks of neoliberalism.

\textsuperscript{286} Singer, \textit{The Life You Can Save}.
\textsuperscript{287} Study by Garth Frazer, quoted in Singer, \textit{The Life You Can Save}.
\textsuperscript{289} Ibid.
In conclusion, Shivji sums up the complexities of the aid industry when he argues that,

If African NGOs are to play the role of catalysts of change rather than catechists of aid and charity, they have to fundamentally re-examine their silences and their discourses; they must scrutinize the philosophical and political premises that underpin their activities; they must investigate the credentials of their development partners and the motives of their financial benefactors; they must distance themselves from oppressive African states and compradorial ruling elites. NGOS must refuse to legitimize, rationalize and provide a veneer of respectability and morality to global pillage by voracious transnationals under the guise of creating a global village.²⁹⁰

Though Shivji specifically discusses Africa, his analysis can be easily applied to the rest of the Third World, as the development apparatus functions essentially the same throughout the world. If NGOs are ever going to actually help people, they must scrutinize their role in the larger, complicated nexus of the aid industry and become accountable to Third World peoples rather than to their funders.

Conclusion

"The road to hell is paved with good intentions."  
- Proverb

"CONSTANT VIGILANCE!"  
- Mad-Eye Moody, *Harry Potter and the Goblet of Fire*

*It is easier to help the poor than to confront the rich.*  
- Bob Steele

Charity Scandals

Now that we have explored the discourse that governs non-profits, the havoc capitalism has wreaked on the non-profit sector as a whole, and America’s neocolonial aid mission abroad, we can examine how these factors coalesce to keep some particularly harmful non-profits running for a long time. It was only after the stories of the following non-profits became breaking news that people became aware of their unscrupulous practices. These scandals drive home the point that the non-profit has become an almost untouchable institution in America. The stated desire to “help” the world gives any organization a mask of benevolence that most people do not look behind. While many charities inadvertently inflict harm on the communities they serve, despite good intentions, there are others that purposefully abuse the protection of 501(c)(3) status. That these fraudulent organizations were able to operate for as long as they did, completely unquestioned, illustrates how powerful the code of silence surrounding charities is.
The Second Mile

The recent case of Jerry Sandusky and his organization, The Second Mile, demonstrates how non-profit structures can serve to protect the powerful and harm the powerless. According to its website, The Second Mile is “a non-profit organization for children who need additional support and who would benefit from positive human contact.” However, Sandusky, the former defensive coordinator for the Pennsylvania State football team, used the organization to find his abuse victims. Sandusky utilized Penn State’s facilities for Second Mile activities, including taking advantage of young boys. He is now being charged with 52 counts of child sexual abuse, including raping boys as young as eight years old.

By founding a charity that serves at-risk children, Sandusky knew that he could find vulnerable kids who were unlikely to speak out against a privileged, powerful, and ostensibly upstanding White man. Victim Tony Craig explains that Sandusky was known on Penn State’s campus "as this pillar of the community, this outstanding, wonderful, friendly man… I told my parents that being alone with him made me uncomfortable, but I was careful not to tell them too much because I didn't want to anger him." By cultivating his image as a benevolent, charitable man, Sandusky ensured that his victims would not report him – a strategy that worked for

293 Champ Clark and Alex Tresniowski, “Penn State Sex-Abuse Case: How Could This Happen?” People, November 28th, 2011.)
at least 15 years, according to the grand jury report of the case.\textsuperscript{294} One victim’s mother testified that her son felt trapped. “I didn't know what to do,” he told her, “You just can't tell Jerry no.”\textsuperscript{295} Power dynamics not only kept Sandusky’s victims quiet, they also kept the chain of command from reporting him. As far back as 1998, the mother of an 11-year-old boy reported that Sandusky had taken a shower with him. Even though Penn State police investigated the case, and Sandusky confessed, “I was wrong. I wish I was dead,” university police chose not to press charges and the case was closed.

In 2000, janitor Jim Calhoun witnessed Sandusky raping a boy in the shower and told his supervisor, Jay Witherite. Witherite told Calhoun to report the crime to someone higher up in order to launch an investigation. Calhoun chose not to, because he feared losing his job.\textsuperscript{296} In 2002, a graduate assistant coach saw Sandusky rape another boy, and told head coach Joe Paterno. This time, Paterno alerted the Athletic Director and the Senior Vice President for Finance. Despite the seriousness of the offense, Sandusky was not reported to the police. Instead, athletic director Tim Curley took his locker room keys away. Sandusky was also banned from bringing children from Second Mile on Penn State’s campus, a decision approved by the school’s president Graham Spanier (who has a background in family counseling).\textsuperscript{297} Some knowledge of Sandusky’s abuse must have trickled down to The Second Mile, because they banned him from attending children’s events in 2008. Yet, he still did

\begin{footnotes}
\item[294] Clark and Tresniowski, “Penn State Sex-Abuse Case.”
\item[295] Ibid.
\item[297] Ibid.
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not resign from the charity until 2012. After years of atrocious abuse, covered up by administrators, Sandusky was finally charged with 52 criminal counts of child sexual abuse.

The Sandusky tragedy vividly shows that the powerful will always protect the powerful. The coaches and administration acted like an old boys club, ignoring serious allegations to protect their buddy. It was only under public scrutiny and outrage that some Penn State administrators were fired and others resigned. The American values of helping the disadvantaged, in combination with the fraternity mentality of protecting one’s buddies, worked in combination to allow Sandusky to ruin the lives of boys for over a decade.

Sandusky’s abuse, perpetrated through The Second Mile, while certainly an extreme case, demonstrates how hard it is to challenge a powerful person ostensibly “helping” the “less fortunate.” Like the phantom non-profits businesses sometimes set up to deliberately perpetuate their misdeeds, Sandusky abused the charity entity to further his own criminal acts. Further, Sandusky is not the first to use a not-for-profit as a grooming ground for abuse victims. Another example is Father Bruce Ritter, who used his charity Covenant House to perpetrate sexual abuse against homeless teenagers from 1972 to 1990. Though rumors circulated for years of Ritter’s abuse, he was declared an “unsung hero” by President Reagan and lauded by President H.W. Bush and Mother Theresa.\footnote{\textsuperscript{298} “Charity Hall of Shame,” Charity Watch, \url{http://www.charitywatch.org/articles/CharityWatchHallofShame.html} (accessed October 3, 2011).} After an investigation was finally launched, Ritter was charged with sexual abuse and embezzlement.\footnote{\textsuperscript{299} Ibid.}
Greg Mortenson, American “Hero”

Greg Mortenson rose to fame after his “inspirational” book *Three Cups of Tea* detailed his charity projects to build schools in remote areas of Pakistan and Afghanistan through his organization Central Asia Institute (CAI). This story is a classic example of a cult of personality and a giant ego gone astray. *Three Cups of Tea* details the emotional story of Mortenson’s unsuccessful attempt to climb K2, which left him exhausted, wounded, and stranded in a remote village in Pakistan. Simple townspeople, lacking education and modern technology, nonetheless nursed him back to health. Inspired by their generosity and pained by their poverty, Mortenson vowed to return and build them a school. The book continues with Mortenson’s valiant efforts to raise funds for the school, despite his own lack of financial security.

In contrast, in *Three Cups of Deceit: How Greg Mortenson, Humanitarian Hero, Lost His Way*, journalist Jon Krakauer tells a much different story. After a painstaking investigation, Krakauer discovered that Mortenson’s book was riddled with falsehoods and his charity was a sham. Mortenson lied about his organization, the schools he built, and his own personal gains. When *60 Minutes* investigated the schools, they found that about half either did not exist or had never been used.\(^\text{300}\) In a classic case of “Westerner knows best,” Mortenson imposed his own views about what the communities needed. For example, when CAI contacted the Kyrgyz, a nomadic people living in an extremely remote, mountainous region of Afghanistan, about building a school, they said that their most pressing needs were a health clinic

\(^{300}\) “Questions Over Greg Mortenson's Stories,” *60 Minutes*, April 15, 2011. 
and a better road. Their leader stressed, “If 50% of the children die before age five, who is there to educate?” When CAI ignored their request and insisted on building a school, the Kyrgyz asked for a boarding school. Because of their nomadic lifestyle, extreme weather, and lack of good roads in the area, a boarding school was the only viable option. Nevertheless, Mortenson built the cheapest, simplest school possible, which has never been used.

Additionally, not only were Mortenson’s actions not helpful, they were actually harmful. He had only about a dozen workers to manage all of the projects throughout the region, and he gave them millions of dollars in cash without requiring any documentation, which encouraged corruption. In fact, when his main program officer in Pakistan confessed to stealing money, Mortenson did not fire him. This lack of supervision encouraged his workers to act like members of an elite class, with complete control over funding decisions.

In addition to the free pass Mortenson gave to corruption abroad, he also used CAI as a front to make millions of dollars in profit. He forced the organization to finance his speaking tours, private jets, and advertising campaigns for his books, and then kept all of the royalties for himself. He also kept such bad financial records that he did not know the cost to build one school, the cost of maintenance, or even how many schools had been built. He instructed staff members to forge financial documents in order to pass a tax audit.

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302 Krakauer, *Three Cups of Deceit*.
303 Ibid.
304 Ibid.
While it is impossible to know Mortenson’s intentions when he began his “charitable” work, by the end he was nothing but a con man, and he effectively used several American illusions to maintain the delusion. For example, he drew on a classic fear of the other, especially a faraway and dark-skinned one. Throughout *Three Cups of Tea*, Mortenson stressed that he built schools in areas of terrorist influence, where the only other option for education is fundamentalist *madrassas*. The book even includes a harrowing story of Mortenson being kidnapped and held for eight days by terrorists, who eventually let him go after learning about his humanitarian mission. However, a Pakistani expert explains that the vast majority of *madrassas* simply provide a religious education, as they have been doing for decades.\(^{305}\) Thus, hardly any of Mortenson’s schools provided an alternative to a school that supposedly would have groomed young terrorists. His fake story about being kidnapped by extremists added to the myth that his schools were necessary to “fight terrorism” and spread “freedom and democracy.” Mortenson used a narrative of fear and danger\(^ {306}\) to underscore the urgency of his cause and motivate people to donate to his organization.

Pondering the question of why Mortenson made up so many stories, Krakauer argues that falsehoods such as being kidnapped were “to inflate the myth of Greg Mortenson,”\(^ {307}\) “the astonishing, uplifting story of a real-life Indiana Jones and his

\(^{305}\) Krakauer, *Three Cups of Deceit*.

\(^{306}\) Ibid.

\(^{307}\) Ibid.
remarkable humanitarian campaign in the Taliban’s backyard,” as the back cover of *Three Cups of Tea* states. Additionally,

>[former CAI staffer] Ted Callahan attributes the uncritical acceptance of Mortenson and his shtick to the seemingly endless war raging in Central Asia. “The way I’ve always understood Greg,” Callahan reflects, “is that he’s a symptom of Afghanistan. Things are so bad that everyone’s desperate for even one good-news story. And Greg is it. Everything else might be completely f---d up over there, but here’s a guy who’s persuaded the world that he’s making a difference and doing things right.” Mortenson’s tale “functioned as a palliative,” Callahan suggests. “It soothed the national conscience. Greg may have used smoke and mirrors to generate the hope he offered, but the illusion made people feel good about themselves, so nobody was in a hurry to look behind the curtain.” Although it doesn’t excuse his dishonesty, Mortenson was merely selling what the public was eager to buy.

However, I believe that Mortenson is not a symptom of Afghanistan but a symptom of America. The U.S. is largely responsible for the instability of Afghanistan, which contributes to the poverty of the people Mortenson was trying to “help.” But more than that, Mortenson grew up in a culture in which “saving” some poor, dark-skinned children struggling abroad was considered a noble objective. Realizing this, he was able to abuse the reverence given to charities to exploit the Pakistani and Afghan people for his own monetary ends. Both Mortenson’s abuse and people’s unwillingness to question him are symptoms of America.

Mortenson embodies the helping myth of international development. He used many of the tactics and practices that other non-profits do, he just did even less to “help” the communities he worked in. He is also emblematic of the problems inherent in an organization based around a cult of personality.

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Pink Ribbons, Toxic Charity

Sometimes it is not a cult of personality but politics that can ruin a charity’s ostensible good intentions. Susan G. Komen for the Cure, a charity that raises money for breast cancer (see Chapter 2), was caught in a recent scandal when it decided to terminate the funding it used to give Planned Parenthood (PP) for cancer screenings. Despite years of support for PP, Komen caved under right-wing, anti-women and anti-choice pressure. Last year, Komen gave Planned Parenthood $680,000, which translated to almost 170,000 clinical breast exams and more than 6,400 mammograms. But after Karen Handel, a Georgia conservative, lost a race for governor (on an anti-abortion, anti-PP platform, among other things), she became vice president of Komen and started exerting her political beliefs. Planned Parenthood’s services are mostly utilized by low-income women and minorities, and Komen’s decision to abandon them because of politics is inexcusable.

After Komen ended their funding, PP started its own fund, trying to mitigate the loss and raise money for breast cancer services. In response, Komen issued this statement: "Grant making decisions are not about politics — our priority is and always will be the women we serve. Making this issue political or leveraging it for fundraising purposes would be a disservice to women." Komen was so brazen as to accuse PP of making the issue political, when the whole scandal was caused by their...
political maneuvering. Eventually, Komen suffered so much bad press that Karen Handel resigned and they returned the funding to PP. Yet it took a scandal for many people to look deeper into other troubling aspects of Komen.

As discussed previously, the breast cancer movement has become sugar-coated in pink ribbons that hide ugly truths. The money raised actually goes mostly to the overhead of running breast cancer events and to pharmaceutical companies, rather than prevention efforts or research. Komen uses toxic chemicals in pink products like cosmetics and has denied the established link between BPA, a chemical found in plastics, and breast cancer—because many of their sponsors such as Coca-Cola, General Mills, and 3-M use BPA in their products.\(^\text{313}\)

Further, Komen has sued over 100 other non-profits (using over a million dollars a year of donor money on law suits) for anyone who tries to use “for the cure” or “for a cure” to raise money for cancer (or any other cause).\(^\text{314}\) They have filed or threatened to file trademark lawsuits against many mom-and-pop charities or events, such as Kites for a Cure and Cupcakes for a Cure, which raise money for lung cancer research. Recently, Komen hired a public relations firm (using donor money) to assess the damage done to its reputation. The firm is circulating surveys to former supporters trying to gauge whether or not they should issue an apology, and which high-profile spokesperson (options include Sheryl Crow, Bill Clinton, George H.W. Bush, Ellen DeGeneres, Lance Armstrong, and Rudi Giuliani, among others) would


\(^{314}\) Ibid.
help improve Komen’s image the most. The charity’s biggest concern is clearly protecting their bottom line. Promoting women’s health has become nothing more than a convenient way for them to publicize their brand and make money—as well as to exert their political beliefs. In addition to de-funding Planned Parenthood, Komen also recently ended $12 million in grants to Johns Hopkins University School of Medicine, the University of Kansas, the U.S. National Cancer Institute, the Society for Women’s Health Research, and Yale University, that was used to fund stem-cell research and its potential ability to cure cancer.

The general public, and especially former supporters of Komen, were highly critical of the decision to de-fund PP. Though Komen was ranked the second most trusted non-profit in America by Harris Interactive Polls in 2010, their site crashed after millions of women posted angry messages in response to their de-funding of PP. The scandal has motivated some to dig deeper and discover some of Komen’s other nefarious activities. Komen is yet another example of how capitalism warps non-profits and leads them to reproduce corporate-style harm – and it is just one example of many hiding behind a pink ribbon. However, the rest of the pinkwashed breast cancer movement has not been discredited. The mask of benevolence is so strong that many people think Komen is the exception to the rule, not emblematic of the rule itself.

The aforementioned charities made headlines for their immoral behavior. Yet, each of these scandals speaks to problematic, though commonplace, aspects of  

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316 Ibid.
American non-profits, some of which are present in nearly every American 501(c)(3). That a highly-publicized scandal is required to motivate the American public to look more closely at the supposedly benevolent organizations demonstrates that there are many other nefarious 501(c)(3)s out there whose stories have yet to break – while also highlighting the deeper problems with the sector itself. In contrast, while the non-profit organization has become institutionalized and unassailable in American society, grassroots movements still flourish in other countries.

**Lessons from Abroad**

Though a full-fledged analysis of political movements in other countries is beyond the scope of this thesis, it is instructive to examine briefly how independent social movements differ from an institutionalized non-profit sector. In the Arab Spring, strong people’s movements have ousted rulers in Tunisia, Egypt, Libya, and Yemen, and there have been other major protests and uprisings in Bahrain, Syria, Algeria, Iraq, Jordan, Kuwait, Morocco and Oman. In some Latin American countries, local non-profit organizations have a much less important role; they act as support for social movements and assist with things like providing technical services or resources, such as producing videos. The movement is the main focus, not the non-profit, thus the agenda is furthering the movement’s goals, not maintaining the organization. In countries such as Mexico, Brazil and Chile, grassroots movements partner with non-profits, but if these charities fell apart, the movements would still be able to continue.

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317 Nicole Burrowes et al., “On Our Own Terms.”
The Zapatistas, in Chiapas, Mexico are an example of poor people who have banded together to create the society that they want. They act as an independent state after they won this freedom through mass protests. The Zapatistas spend all their time organizing, and decision-making is consensus based, even on a large scale. These people make time to be involved because the movement is critically important to their lives. If they do not make change happen, they might not have anything to eat. In contrast, poor people in America can go to a food bank, a shelter, and a free clinic, and mostly manage to slide by. Those who spend their time utilizing various Band-Aid solutions have neither the time nor desire to fight for large-scale social change. The shadow state prevents rebellion against the real state by subtly suppressing dissent. In Mexico, the Zapatistas were successful because they were not working for an organization, thus they were not worried about keeping their jobs, pleasing funders, or writing reports. Had they attempted to wage their struggle through non-profit structures, it would have been easy for the organization to fire them, or for the government to regulate them or shut them down.

**The Fourth World War**

Subcomandante Marcos of the Zapatistas describes their struggle as part of the fight against globalization, which he terms the Fourth World War (the Cold War and its many proxy entanglements being the third). The Fourth World War doles out violence and intimidation in dollars and market bombs... the logic, organization, and violence of the market is deployed in always increasing disbursements to all corners of the world and to all aspects of life. Violence, in all its myriad manifestations—economic, environmental, militarized borders
and wars of terror, attacks on language and culture, and more—is deemed a natural phenomenon by imperial and corporate powers.\(^\text{318}\)

Marcos, an indigenous person who has seen his lands seized and destroyed, and been exploited through neoliberal projects such as NAFTA, sees the extension of globalization and market forces as a war against him and his people. In contrast, capitalists like Bill Gates praise this expansion. Gates argues that multinational conglomerates are now increasingly incorporating "social responsibility" into their business strategies, which is currently trendy. But when corporations donate paltry amounts of money to non-profits or help sponsor fundraising events, it does nothing to alleviate the suffering of exploited Third World workers or curb environmental destruction (and in fact diverts attention from these injustices). What Marcos calls the Fourth World War, Gates terms “creative capitalism,” an attempt to “stretch the reach of market forces so that more people can make a profit, or gain recognition, doing work that eases the world’s inequalities.” Unfortunately, “creative capitalism,” like the idea of “just capitalism,” is a lie; Big Business always makes a profit and gains recognition, but almost never does anything to ease the world’s inequalities. Gates’ attempt to make things better by encouraging creative capitalism is just like those who advocate “sustainable” or “participatory” development as a means to better development. Yet, they do not realize that devthink has colonized their minds and left them incapable of conceptualizing true alternatives. Likewise, our society has so deeply internalized capitalism that we look to the capitalists to improve the lives of the people that they trampled on their way to the top.

\[^{318}\text{Anna Clarissa Rojas Durazo, “We Were Never Meant to Survive: Fighting Violence Against Women and the Fourth World War” in The Revolution Will Not Be Funded: Beyond the Non-Profit Industrial Complex, ed. INCITE! Women of Color Against Violence (Cambridge, Mass.: South EndPress, 2009), 113.}\]
In this thesis I have argued that money facilitates the exercise of power, and that some of those who have money use it to shape our society in ways that benefit the interests of their class. Ana Clarissa Rojas Durazo explains that the wealthy exact consent from the ruled to be complicit in their own oppression: "the dominant group, through culture, folklore, and an array of social institutions, creates what comes to be known as "common sense." In this sphere, the notion that we have a responsibility to help people and that the way we should do so is through non-profits is common sense. I have argued that culture indoctrinates people with the American helping myth; that the Non-Profit Industrial Complex ensures that the manner in which people help is reformist, maintains owning-class interests, and functions as a shadow state that takes the burden of providing a social safety net off the government; and that the development aid industry funnels people's desire to help into America's neocolonial mission abroad.

Further, owning classes have been able to pay public opinion to shift to the Right and manufacture acceptance for Right-wing policies like free-market capitalism, deregulation, smaller government, and "family values" (read: homophobia) by spending millions of dollars in carefully targeted philanthropy. A 1997 study by the National Committee for Responsive Philanthropy documented that the 12 most prominent conservative foundations controlled billions of dollars in assets, and that in just the short period from 1992 – 1994 they spent $300 million on scholarships for conservatives to attend college, law, and business schools. They also

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319 Durazo, "We Were Never Meant to Survive," 123.
formed national, regional and state-based networks and an infrastructure of think tanks and advocacy organizations, such as The Heritage Foundation. In addition, they expanded right-wing media outlets, watchdog groups, television and radio. They also funded pro-Big Business law firms and supported groups that work to transform the views and practices of religious and philanthropic leaders. Funding has steadily increased. For example, leading conservative think tank The Heritage Foundation received $28,569,700 from 1999 to 2001. The author of the study, Sally Covington, commented that,

It is not simply the volume of money being invested that merits serious attention, but the way in which these investments have helped to build the power and influence of the conservative policy movement. These 12 funders directed a majority of their grants to organizations and programs that pursue an overtly ideological agenda based on industrial and environmental deregulation, the privatization of government services, deep reductions in federal anti-poverty spending and the transfer of authority and responsibility for social welfare from the national government to the charitable sector and state and local government.

Today, The Heritage Foundation controls $164,819,678 in assets and works on manufacturing public opinion through a series of publications, direct mailings, media, events at their “Center for Freedom,” and testimonies on Capitol Hill. They also work to “equip, educate, and empower congressional conservatives and their staffs to advance and stand firm on conservative principles.” While liberal groups are busy operating the social service organizations that make up the shadow state, conservative

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322 Ibid., 69.
non-profits act as the cultural pump and produce a constant stream of right-wing ideology, bankrolled by their owning-class donors and peers.

**Good Intentions?**

In a speech entitled “Why Barack Obama is the More Effective Evil,” African American rights activist Glen Ford argues that despite Obama’s extension of Bush’s imperial policies, continuation of old wars (Afghanistan), creation of new wars (Libya); his refusal to comply with international law on matters such as torture; and his support of the National Defense Authorization Act that allows the military to capture and incarcerate citizens *indefinitely* without due process\(^\text{325}\)—the American Left continues to believe in Obama’s “good intentions”:

> The prevailing assumption on the Left is that Obama has good intentions. He *intends* to do the Right Thing – or, at least, he intends to do *better* than the Republicans intend to do. It’s all supposed to be about intentions. Let’s be clear: There is absolutely no factual basis to believe he intends to do anything other than the same thing he has already done, whether Democrats control Congress or not, which is *to serve Wall Street’s most fundamental interests*.\(^\text{326}\) [emphasis his]

Obama is the more effective evil because liberal Americans put so much faith in his good intentions that they do not judge him based on what he has actually *done*. In a similar vein, Americans refuse to question non-profits because of the assumptions fostered by American culture about organizations’ good intentions. When I was


conducting research on the American Red Cross I told my friend all of the reasons I thought it was a bad organization. His immediate reaction was, “Well, they must do some good things, right?” The power we give to organizations and people we assume have good intentions is astounding.

In the non-profit/aid literature, there are some people taking an ostensible critical perspective. For example, non-profit veteran Saundra Schimmelpfennig’s blog “Good Intentions Are Not Enough” and development economists Dean Karlan and Jacob Appel’s book More Than Good Intentions, offer light critiques of non-profits. They make recommendations like donating money rather than material goods that can breed dependency, and establishing more rigorous, controlled trials of development programs to find effective approaches. But these authors operate on the assumption that people’s good intentions are commendable (they just make suggestions for how to apply these good intentions in a more effective manner). Even these people who think they are being critical have internalized devthink and believe in an institutionalized non-profit sector as the only way to fight society’s problems. In contrast, radical scholar Ivan Illich’s speech “To Hell With Good Intentions” critiques these intentions themselves, the very desire to “help,” and argues something shocking: that people in countries other than America—even in the Third World—are actually capable of taking control of their own lives and working together to improve their own communities. And if America would stop interfering, both militarily and with “aid,” the Third World would be a lot better equipped to do so.

Non-profits play a role in repression and oppression in America, and act in conjunction with other interlocking power complexes that work to control the people.
Yes, non-profits do *some* good things. They do help *some* people. But that does not mean that we should not critically analyze them. That does not mean that they should receive the cover of sanctity they currently enjoy in our society. That does not mean they do no harm, both to Americans and Third World peoples. In reality, non-profits diminish the potential for people to demand and fight for more ethical societies.

**Thinking Outside the 501(c)3 System: #Occupy Wall Street**

For the first time in a long time, a new kind of movement gained traction in America: Occupy Wall Street. The movement began when a group of protestors decided to occupy Zucotti Park near Wall Street in New York City, to take a stand against corporate greed and the vast concentration of wealth in the top 1%. At first, many were critical of the protest because it does not fit into the structures we are accustomed to: it is not associated with any non-profit, or any formal organization whatsoever; it has no particular leaders and no neat and tidy list of demands. Further, the movement practices true consensus-based decision making by holding General Assembly meetings that use a technique called the People’s Mic. In this system, one person states his opinion, and the rest of the assembly repeats it, creating a loud and powerful unified voice. This clever innovation has successfully disrupted government meetings in Chicago and New York, among other places. The People’s Mic fosters community solidarity and empowers the 99%.

Unlike other non-profits organizations that compartmentalize social issues, the Occupy movement is a catch-all for the ills of our capitalist system. People criticize “Occupy” highly for not having one specific issue or a list of demands. But unlike
any other protests seen in decades, it has spread throughout the country, because there is room for everyone in the Occupy movement. Occupy demonstrates that a singular focus on specific issues such as housing, hunger, or education, ignores the root causes of structural inequality and institutionalized oppression. Occupy is one of the few movements to focus its critiques of social problems in such a broad, all-encompassing manner. Because the problems are broad and all-encompassing, so, too, must be the critiques.

Finally, a social movement in America is building community power, practicing consensus-based decision making, and acknowledging oppression. There are now Occupy movements in every major city in the U.S. and beyond. However, as the weather grew colder this winter, the police took the opportunity to try to defuse the movement by inventing rules such as prohibiting the protesters from having tents. At the time of this writing, the weather is beginning to get warm again, and it remains to be seen whether Occupy will be able to regain the energy and strength it had this fall. But compared to our tightly structured and controlled non-profit sector, this movement is quite revolutionary, at least for a while until power co-opts it or the FBI uses COINTELPRO-like tactics to dismantle it.

My Stance

I mentioned in the preface that before doing the research for this project, I had always assumed I would work for a non-profit organization. Now that I have had the opportunity to very closely examine the non-profit sector, as well as deconstruct the myths that encourage us all to want to “make a difference,” I am less interested in
working for a typical 501(c)(3). This research has changed my entire perspective not
only about non-profit organizations, but also about the concept of charity in general
and what it means to “help.” I plan to be involved in my community, but I will strive
to do so in ways that are not paternalistic or arrogant – ways that focus on the needs
and desires of the community (whether that means coming together in a radical
collective to address oppression or cooking vegetarian food together at Food Not
Bombs) rather than my own self-esteem. Going forward, I hope that more people will
take the time to question and examine the charity culture all around us, and to be
more careful about what organizations they support and what charity-linked products
they buy.
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