

Note: This is an unpublished draft of the introduction to an essay I am currently writing. Because I have not been writing for very long, I do not have any published clips to share.

Market Missionaries and the Privatization of Development Aid

Introduction

“That is where I landed.” My motorcycle driver, John, eased up on the gas and pointed at the shallow ditch to our left. I peered over his shoulder. The ditch was unremarkable, dry and dusty with the same red dirt as the rest of the road. But what distinguished it was the memory it triggered for John. Three months prior he had been struck head-on by a drunk driver and tossed from his bike. This ditch was where he nearly lost his life.

It was June 2016, two weeks since I moved to Kenya. I was staying for five days with John and his wife Josephine in a rural farming village called Malakisi, right near the border with Uganda. John and Josephine, like their neighbors, were peasant farmers. They cultivated about an acre of land and lived in a modest home with their four children.

I was spending this particular day with John, but Josephine was the reason I was in Malakisi. We were connected through my new employer, an esteemed and rapidly growing social enterprise whose mission is to end rural poverty. Josephine was one of my new coworkers. She was hosting me so that I could see firsthand the challenges that she, her family, and her community faced – and what the social enterprise was doing to help.

Josephine’s farm was noticeably more abundant than her next-door neighbors’. This was because, like the customers she served, Josephine was enrolled in the program. The health of her crops was a testament to the productivity of the hybrid seed and fertilizer that the company sells on credit. By growing more food, the company predicts that their customers will earn more money at the market, and that this boost in income will allow them to both pay back their loans and reinvest in further increasing the productivity of their farms. In short, farmers build their own ladder out of poverty by making their labor incrementally more productive.

If there was a family in need of assistance, it was this one. John’s accident had taken a serious emotional and financial toll on the family. Immediately after the accident he had been airlifted to a hospital in Uganda where he spent three days in a coma. His family feared the worst. When he finally awoke he said that his brain felt like a loose pit inside an avocado. His skull was fractured, his ribs were broken, and he had lost the use of his left eye. But he was alive.

Surviving was a miracle, but it was only the first of the challenges to come. The recovery process was long and the treatment was expensive. John and Josephine, typical of peasant farmers, held their wealth in livestock. To pay John’s medical bills they had sold all of their cows and over a hundred chickens, down to just six. This singular shock had eaten up nearly all of their savings and put them in a very precarious position.

In rural East Africa, the dearth of social services means that farmers live and die by their land and labor. If the land cannot be worked because of drought, or if the farmers cannot work it because of disability, they starve. The community supports each other as best they can, but

resources are so limited that to dwell on trauma – or just to catch your breath – is a luxury. In the wake of the accident, with John in recovery, Josephine was keeping the family afloat.

Women shoulder a disproportionate share of the labor in these peasant communities, and Josephine was no exception. John worked as a photographer, but he had sold his studio to help pay down the medical bills. He was only just beginning to pick up small contracts again. Josephine was the family's provider and breadwinner. In the home she cooked meals, did laundry, cleaned house, and cared for the children. On the farm she grew the family's food. And she had a regular income stream through her job.

Josephine was employed as a field officer, the lowest paid position at the company. As a field officer she performed a critical function at every stage of the program. She held interest meetings to advertise the program, enrolled customers, wrote contracts, helped deliver orders, ran trainings, collected loan repayments, and provided customer service. It was grueling work. Josephine sent me home early more than once, afraid I could not keep up.

Field officers make up over three quarters of the workforce. Without them the program cannot function. For many of the farmers who enroll, they are the face of the company. But despite this, they are paid only \$70 per month.

This wage is why Josephine still worked as a farmer. Her income was not enough to cover John's medical expenses, and her already limited employer-provided healthcare did not cover other family members. Trapped in a frustrating contradiction, she was led to believe that her work was ending poverty even while her employer paid her a poverty wage.

Raising the wages of field officers is no simple matter. Social enterprises are under pressure from their donors to become self-sustaining. One of the easiest ways to keep costs down is to pay the market rate for labor in the underdeveloped economies where they operate. Low wages make the program more efficient, and therefore more attractive to donors.

Curiously, though, this downward pressure on wages does not apply to the small group of mainly white managers. Saying that their work is not "core," their salaries are exempted from the calculation of the program's sustainability – only field staff salaries factor in. What this arbitrary division means is that while the majority of workers like Josephine will never earn more than the base wage of \$70 per month, the minority group of managers enjoys comparatively high salaries, generous benefits, and regular raises and promotions.

Europeans have commanded the economic development of East Africa since colonial times, beginning in the 1880s when the British established the protectorates of Uganda, Kenya, and Tanganyika (present-day mainland Tanzania). The exploitative, underdeveloped, and dependent economic structures they built are still functioning today, some fifty years since formal independence. Then, as now, the stated intentions were humanitarian. But the outcomes of this progress by oppression have always benefited European expatriates at the expense of African workers. Colonial history is the elephant roaming the offices of development organizations, shrouded behind that self-exculpatory refrain: "We must look forward and not back."

In recent decades, a shift toward the privatization of aid has seen American philanthropists enter into an arena that traditionally has been the exclusive purview of state governments and multilateral institutions. But despite high-flying rhetoric about revolutionary efficiency and innovation, the guiding principles behind private philanthropic development are

more of an entrenchment than a disruption of norms. State plans succeeded in privatizing huge swaths of formerly socialist economies. Now philanthropists are attempting to make consumers out of the global underclass. Once again, the free market is pitched as the divine driver of progress. Nothing new. What *has* changed, though, is that development plans and their outcomes have gone dark. Western democracies answer, at least in theory, to taxpayers. Philanthropists answer only to themselves.

The non-governmental organizations (NGOs) that serve as the vehicles for philanthropists' ideas are wrenched between the extremes of global wealth inequality. On one side are the impoverished beneficiaries, the peasant farmers, struggling to meet their basic needs. On the other side are the opulent donors, the world's wealthiest members, directing social change. NGOs find themselves in the contradictory position of wanting to serve the interests of the poor as their *raison d'être* but needing to serve the interests of the rich to exist.

The workplace is the epicenter of this tension. In the field, workers find their lot in life is not much improved from before they were employed. They still grow food to survive, and they still brace for financial shocks. In the office the conditions are contentious. Here, African staff work alongside but separately from their white managers. They too are poorly paid, but unlike field staff they see the discrimination in hiring, salaries, benefits, raises, and promotions. Racism is a common complaint. At some sites, such as in Uganda, resentment over differential treatment has inspired a strike. Usually, though, African workers dissent by simply leaving the company. The high turnover rate is a constant source of frustration.

Still, the program persists because workers recognize the need to *do something* about the crisis of poverty – which, make no mistake, is getting worse. Fueled by deepening inequality and the warming climate, more people are experiencing poverty each year. That's not according to the World Bank, which defines poverty as an income under \$1.90 per day. By that arbitrarily low standard, the number of people living in poverty has been in steady decline for decades, standing at 836 million in 2015.¹ But raise the income threshold to something livable and the trend reverses. Measurements based on life expectancy place the impoverished population as high as 4.2 billion.² Whatever the number, climate change is hitting the poorest parts of the world first and hardest.

The magnitude and velocity of the problems we face are enormous and unprecedented. Private philanthropic development responds with much of the same: technological determinism and faith in markets. These hackneyed ideas are promoted at elite universities, where a new breed of "social" entrepreneurs are trained in the business of social change. Clutching degrees in finance, economics, and business, these market missionaries descend upon the political and social milieus of poor countries.

Upon landing, they preach a familiar tune: technology is a natural force for good; markets left to their own devices reach a natural state of equilibrium; progress is emergent, not directly fought for; poverty ends when individual poor people change their behavior. We have

1

https://www.un.org/millenniumgoals/2015_MDG_Report/pdf/MDG%202015%20Summary%20web_english.pdf

² <https://www.theguardian.com/global-development-professionals-network/2015/nov/01/global-poverty-is-worse-than-you-think-could-you-live-on-190-a-day>

heard all this before. Faced with the evidence that their abstractions fall apart in the real world, they appeal for more time: it may take decades for these plans to work, they say. In other words, have faith.

Some of us Westerners express difficulty in connecting our lives with Africans. Rest assured, state militaries and private money have got us covered. Europeans forged inextricable bonds with Africans centuries ago, and throughout the era of Cold War anti-communist development and into today's era of globalization those bonds have only become more intimately bound. Economically, ecologically, we are all in this together.

If our movement for a more equitable and just society is to have any teeth it will include as leaders those with the least equity and justice. Anything less will be a failure. Listen to anti-colonialist theorist Frantz Fanon when he writes in *The Wretched of the Earth* that, "it is obvious that in colonial countries only the peasantry is revolutionary. It has nothing to lose and everything to gain." We should not be so presumptuous to think colonialism is behind us.

Philanthropists are not known for their public speaking. We can only speculate about their motivations. So we cannot know for certain if their targeting of anti-poverty programs at a class of people with a history of sparking revolutions is calculation or coincidence. But if the rich know any history, they know their fortunes are secured only as long as millions, or billions, of people do not starve. Philanthropists have demonstrated through the programs they support that they are content to keep people's heads just above water. That is their fight. In a world of plenty, ours should be for nothing less than dignity.