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Philanthropy's "Innovations" Look a Lot Like Colonialism

Introduction

It was March 2016 and the sun had set in Malakisi, Kenya. A local photographer named David mounted his motorcycle, eased it onto the shifting sands of the main street, and headed home. The way was dark except for the dusty glow of headlights, and as David rounded the final hill at the edge of town, he was struck head-on by a drunk driver.

Three days later he awoke in a hospital bed in Uganda, surrounded by his wife, Leonida, and their four children. His injuries were extensive. He learned that in the aftermath of the collision he been turned away by the local clinic and was flown to Uganda by helicopter. His ribs were broken, his skull was fractured, and he was blind in his left eye. But by some miracle he was alive.

After a short stay in the hospital he returned home, where the challenge turned from surviving the injuries to paying for the treatment. Leonida and David were peasant farmers. Their incomes were modest—they subsisted largely on the food they grew on their one-acre farm—and what savings they had were in the form of livestock. For them, a financial setback of this magnitude was devastating.

With David in recovery, the burden of supporting the family fell squarely on Leonida. To pay down the medical bills she sold nearly all of the family's livestock, a cow and over a hundred chickens. She grew the family's food, cared for the children, and kept house. Typically for the women in these farming communities, her days were long. Yet she was optimistic that a brighter future lay ahead. On top of what she did in the home and on the farm, Leonida worked full-time at a nongovernmental organization (NGO) that claimed to have the key to ending poverty for people just like her.

In June 2016 I moved to East Africa to join in the effort to end this poverty. Leonida was my coworker. For a week during my onboarding I stayed with her and her family and caught a glimpse of the challenges that peasant farmers face. I accepted the job because I believed it would be meaningful work. But for Leonida and so many other workers like her, there was much more at stake: they believed it would fundamentally change their lives, that the mission would bring them prosperity.

Many NGOs have tried to tackle the issues of hunger and poverty in sub-Saharan Africa, but lasting success has been hard to come by. Our employer was taking a different approach. Rather than band-aiding the problems with food drops, it was getting to the root of the issue by making farmers more productive. With larger yields, the reasoning went, farm families would be better fed and able to turn larger profits at the market. If they reinvested these profits in further increasing their farming productivity, they could take incremental steps out of poverty.

To kick-start this feedback loop, the organization was selling hybrid seed and fertilizer to farmers on credit. The inspiration for the program was a fusion of two economic development success stories attributed to private enterprise. The first was the Green Revolution of the fifties and sixties, backed by both the Ford Foundation and Rockefeller Foundation, which leveraged farm technologies to massively increase agricultural production in Asia. The second was the

Grameen Bank, which has since the eighties greatly expanded access to financial services to the unbanked poor of Bangladesh.

If these ideas worked in combination, the reasoning went, then African farmers would effectively be funding their own agricultural revolution. They would buy on credit the Green Revolution technologies that worked so well in Asia and pay back the cost of these technologies once they had achieved prosperity. Leonida seemed to be a testament to this approach. Like many of the organization's workers, she was herself enrolled in the program. She was excited to show me the contrast between the vitality of her crops and the gray, stunted look of her neighbors'. She hoped they would sign up next season.

Yet the production of more and healthier crops was only meant to be the spark that fired up the feedback loop out of poverty. I was curious about what came next. While the use of better seeds and fertilizer returned quick and tangible results, the next phase of the program was decidedly unmanaged, guided by a faith in the market's natural ability to produce wealth and lift people up.

This conviction ran deep. Leonida was paid a salary of only $70 per month. If she was going to become prosperous, it would not be through her employment at the company, but through her enrollment in its program. In the immediate term, her meager compensation and health benefits left her in a precarious position exposed to further financial shocks, yet she was hopeful because she had been promised a better future through the market.

She wasn't the only believer. Tens of millions of philanthropic dollars flowed in annually, including from the heavyweight Bill and Melinda Gates Foundation. In recent decades, the scale and influence of philanthropy has grown rapidly, far outpacing scrutiny by the press. Among the issues overlooked has been its reliance on the cheap, easily exploited labor of the people it purports to help.

I wanted to learn more about what it was like for Africans to work in the private development industry. In writing this piece I interviewed a number of my former colleagues, and I combined their insights with documents published privately and publicly by our employer. All names, including those of Leonida and David, have been changed.

To enable, not exploit

Europeans have commanded the economic development of East Africa since the late nineteenth century, when British colonists scrambled into the region and declared themselves protectorates of Uganda and Kenya and, later, Tanganyika (present-day mainland Tanzania). The stated intention of the project was then, as it is now, humanitarian.

"The prime object, of course, of . . . development must be the welfare of the inhabitants of those regions," claimed one politician in 1919. "Our first duty is to them; our object is not to exploit them, but to enable them materially, as well as in every other respect, to rise to a high plane of living and civilization."

But exploitation was inevitably in the cards. East Africa was valuable agriculturally, and the financial sustainability of the colonies depended on their ability to produce cheap raw materials for metropolitan industry. To lower the costs of this production, the British enlisted the labor of the indigenous population, and in short time Africans whose economic lives had consisted of bartering were producing crops for expatriate businesses and accepting wages from settler farmers.

From the violent invasion that kicked off the colonial adventure up until formal liberation, Africans resisted these changes, particularly in Kenya, where the colonial disruption was greatest. Here, the British established settler farms on the best land and pushed the inhabitants into overcrowded reserves. Conditions in the reserves were deplorable, and so when the British "invited" Africans back to the White Highlands to live as "squatters," many accepted the offer. The only condition was that they work for the white farmer.

Squatters brought their families, built homes, grew crops, and generally carried on living as they had before. The labor requirement was something they avoided when possible because the wages were far too low to live off of. "Illegal squatting"—living but not working in the White Highlands—was widespread. Sensing it had failed to secure a reliable labor force, the colonial administration responded with escalating tactics to compel Africans to show up to work. This culminated in the violent suppression of the Mau Mau revolts of the fifties and sixties, in which thousands of African peasants were killed.[1]

Colonialism was said to be for the Africans' own good. By learning "advanced methods of agriculture" and "habits of regular work" from Europeans, Africans would benefit economically and as a people. "[The] easiest, most natural and obvious way to civilize the African native is to give him decent white employment," wrote one General Smuts in 1930. Philanthropists would later dredge up these ideas and rejuvenate them with a language fit for the twenty-first century.

Decent white employment

In the mid-2000s, posing for themselves the question of how to end hunger and poverty in Africa, Bill and Melinda Gates turned their attention to peasant farmers: "The answer [is] to assist them in the work they do: The vast majority of the world's poorest people are small farmers, and helping them grow and sell more is the smartest way to reduce hunger and poverty over the long term."

Billions of dollars in grants have since illuminated exactly what it means to "assist them in the work they do." Although the Gates make a point to "listen to farmers," to date the biggest benefactor of their generosity has been business. Nearly all of the Gates Foundation's spending on agriculture stays in the United States and Europe, and when "solutions" eventually trickle down to Africa, they come in the form of technology.

To deliver to people who work to survive "advanced methods of agriculture" and instruct them to better themselves is not a surprising response from a tradition of charitable giving whose preoccupation has been "to help those who will help themselves." But in East Africa philanthropy goes a step further, pulling another innovation from the book of colonialism: the same people who receive the so-called aid are employed, at bargain prices, to distribute it.

By and large, today's philanthropists do not run their own programs; they contract them out to NGOs who reflect their values. In the case of the NGO I worked for, it signaled its allegiance to philanthropy's creed in its first performance report, where it wrote that "lasting change must rely on the poor themselves."[2] This was a reference to their customers, but it might be taken to refer indirectly to their workforce, who were featured in the report.

The organization bestows on the farmers the superlative "the hardest-working people on the planet." In philanthropic development, the essential role played by farmers is to perform the most demanding labor. Dignity comes from the act of working—not the conditions of life. It is not surprising that an industry obsessed with innovation—with looking forward and not back—should display their ignorance of history so brazenly. The excellence of African labor has a storied history of fetishization, from colonial Africa to the shores of the Americas.

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[1] Kanogo, Tabitha. Squatters and the Roots of Mau Mau, 1905–1963 (Eastern African Studies) (Kindle Location 4111). Ohio University Press. Kindle Edition.

[2] 6 Month Interim Performance Report

The labor issue has never been that Africans do not work hard enough. It is that for over a century the fruit of their labor has been expropriated by settlers, expatriate businesses, slave masters, multinational corporations, and, yes, NGOs offering “decent white employment.” The priority of equitable economic development should be to *relieve* Africans of work. This is plainly not the case today.

The hardest-working people

Farmers like Leonida would rather not be paid poverty wages, but, for a number of reasons, they accept them. To find out why, I spoke with a Ugandan field staff manager named John. Through my conversation with him, I learned how the company attracts local labor by leveraging its Western reputation, withholding salary information, and making bold claims about its ability to end hunger and poverty.

In East Africa, where “white” and “rich” are synonymous, white people have inherent social capital. This is abundantly clear to any *mzungu* (European) who visits a rural farming community and is swarmed by starstruck children. When I stayed with Leonida and David, the walls of their home were adorned with aspirational posters of joyful white families living in opulent mansions and driving sports cars. Beside these hung scripture passages and depictions of a white Jesus. When NGO founders arrive in these communities and claim to have had an “epiphany” about how to end poverty, people listen.

John noticed that it was often the poorest members of the community who were attracted to the field officer job. Unlike their neighbors, these farmers held little or no livestock and had no means of transportation. “Some come when they are desperate for a job,” he said. They assume that the *mzungu* company will compensate them well.

The hiring process is rigorous and feeds into applicants’ assumption that they are dealing with a prestigious, well-paying employer. Over the course of several weeks and multiple rounds of interviews, hundreds of candidates are narrowed down to just a few dozen. John explained, “When you look at the interview process of the field officers, you feel you will get a very big salary because the interviews are very tough.”

The salary and benefits are only revealed to those who receive a job offer. By this point, even though their expectations have been dashed, candidates accept the pay. Over the course of the protracted hiring process, as their friends and neighbors are eliminated, they become emotionally invested. They accept the company’s justification that the low pay will be balanced out by the future economic benefits of their work: they will be ending hunger and poverty in their communities.

Once employed, the company has high standards for these “hardest-working people on the planet.” Many of the field officers that John worked with felt that there was not enough time in the day to complete their assigned tasks. These tasks include advertising the program to their neighbors, enrolling customers, writing contracts, assisting in order deliveries, running trainings, collecting loan repayments, and providing customer service. For many customers, field officers are the face of the company.

The field officers John managed feared they would be penalized for taking time off work, even for illness. Because their health benefits only covered inpatient treatment, many would continue working while sick. Even simple ailments that could be alleviated with medicine would go untreated. Furthermore, the benefits did not cover other family members, leaving families like Leonida’s vulnerable to expensive health shocks.

One Kenyan office worker who deals with benefits, Christine, expressed her frustration to me: “For them, they are in the field, and they are the ones doing a huge chunk of the work. But if they get ill, it’s more like fending for themselves.”

The fear of penalization is justified, particularly in Uganda, where the program model has been less successful. As farmers struggled to repay their loans in the 2017 seasons, apparently having failed to realize the economic gains they were promised, a flurry of warning letters descended on field officers. They were told to pick up their loan repayment rates or else risk not having their contract re-signed at the end of the year. John called the volume of letters “ridiculous” and the warnings “demotivating.” Field officers felt powerless to improve their performance.

Field staff make up 80 percent of the nearly ten thousand paid employees. The company has acknowledged them as the “bedrock of our organization.”[3] Speaking with me, Christine stated explicitly what is tacitly understood: “If they quit, if they say they are not going to work, the program collapses.” Yet the compensation they receive is over a hundred times less than what the American executives make—benefits excluded.

Still, field officers fare better than the people who work below them. Most labor is unpaid. Organized below each field officer are groups of clients that share liability for their loans. Each group is required to have a volunteer group leader, and although no single member is compelled to volunteer, a group is not allowed to exist without a leader.

These group leaders are responsible for ensuring loan repayment, arranging meetings, and leading activities like planting and harvest. Thousands of field officers receive a poverty wage, but tens of thousands of group leaders are not paid at all.[4]

The organization is also supported by the unpaid labor of the hundreds of thousands of farmers who enroll each season. Ultimately the program is evaluated in terms of what its customers do with its products. Their ability to productively use the agricultural technologies and to repay their loans is what attracts donors and keeps the operation running.

In East Africa today, wealthy people—mainly men—of European descent are supporting economic development programs that could not be sustained without the unpaid and low-wage labor of Africans—especially women. This, it is said, is for their own good.

Helping themselves

In the field and in the office, workers typically dissent by simply leaving the company. The high turnover rate has been a perennial challenge for management. But in the offices, where low-wage African staff work alongside their white managers, tensions have at times boiled over into more confrontational worker action.

In the offices, Africans see their subjugation more clearly. Rumors about the extravagant salaries, benefits, living conditions, and vacations of white coworkers and managers circulate freely in non-English languages. My African colleagues complained to me of being passed up for promotions and raises and having to battle hard for every meager gain.

As they saw it, less experienced whites were having an easier time rising quickly through the ranks. “I observed a lot of institutional racism and systemic oppression,”[5] wrote one Uganda

[3] Professional Development of Field Staff, page 2
[4] https://oneacrefund.org/blog/3-ways-one-acre-fund-learns-farmers/
[5] Ivan

colleague who left the company. “The racial discrimination is notable in the salary structure,”[6] said another. For the African workers I spoke to, racism was an incontrovertible fact.

A widespread problem among NGOs, the division between expats and locals has been described as the “dual salary system” by Stuart Carr and Ishbel McWha-Hermann. “Disparities are not limited to salaries,” they write. “They include accommodation allowances, vehicles, household staff, school fees, insurance and other benefits. These commonly form part of expatriate packages that are not available to local staff.” Assuaging any doubt about the nature of this disparity, they found that “the wage and benefits gap cannot be explained by differences in experience or skills,” but only by the differences in labor markets between rich and poor countries.

In the first half of 2017, the company announced to staff that it was restructuring in a bid to “[improve] transparency, fairness, and consistency around how we hire, develop, promote, and compensate our staff,”[7] citing the lowest level staff positions—those occupied by locals—as the ones in “most urgent need [of] increased clarity.” This was the first time since its founding that the path from the bottom of the company to the top had been defined. Benefits for middle managers, mostly white, were reduced, and a series of “diversity and inclusion” initiatives were launched.

These initiatives, which included mandatory “unbiased hiring” courses for mid- and high-level staff and “sustained dialogue conversations” between high-level African staff and white managers, attacked the discrimination issue on an interpersonal level, as though it were the culmination of biases unwittingly harbored by individual staff members rather than something embedded in the structure of the company itself.

Christine sensed an ulterior motive. “Leadership already knows what the problem is,” she said. “What they do is they ask all these questions to get a feel of what people think, and then they . . . kind of try and squash it, or find ways to mask it, but not really deal with it.”

The response failed to gain the support of African workers. The new promotion process shifted power from middle managers to the highest-level executives, all of whom were Westerners who rarely if ever interacted with promotion candidates. Moving up in the company had become more tedious and labor intensive, not less. Sensing that their prospects had not improved, African workers doubted that meaningful, structural progress to the racism issue had been made.

Instead of promoting workers, the company tapped into the network of industry professionals to fill leadership positions. These new African managers came from major cities and from the diaspora, a decision that did not go unnoticed by workers. “What are you doing about the people that are already there?”[8] asked one Kenyan worker. By hiring from this pool, the company virtually assured that African workers who lived in poverty would not be in a position to make decisions about the program that affected their lives.

Later in 2017, Ugandan office workers expressed their dissatisfaction by striking. The event that inspired the strike was the death of a bookkeeper’s five-year-old daughter. Seeking assistance in transporting the girl’s body to the burial site, workers had requested access to a company vehicle. But even though a vehicle was available, and even though the request was not in violation of any company policies, they were denied.

Office workers walked out during a company-sponsored lunch. This had symbolic significance, as free lunches were one of the “diversity and inclusion” initiatives intended to

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[6] Raymond
[7] Email from Nick Handler
[8] Jose Maria

foster relationships between expat and local staff. Low-wage office workers decided they would rather pay for their own lunch in town.

Their list of demands extended beyond vehicle policy. It included a bereavement policy for close relatives of staff, company-sponsored funeral transportation, more generous housing allowances, relocation bonuses in place of salary advances, free daily lunches, increased transportation allowances, and better medical insurance.

The company met only a few of these demands. It authored a bereavement policy, contracted a new insurer for burial services, and offered to reimburse funeral transportation expenses. Free daily lunches had already been planned. All in all, the workers I spoke to were dissatisfied with the response.

When low-level aid workers go on strike, they are up against not just their employer but also some of the wealthiest individuals in the world: the philanthropists that underwrite their paychecks. Western media coverage has neglected their struggles. Establishment media has supported philanthropists with propagandic puff pieces, and has narrowed its criticism to philanthropists' priorities and methods. Independent leftist media has rightfully criticized the self-serving nature of philanthropy and its weakness as a tool for social progress. But scant attention has been paid to the actual effect of philanthropy on workers' lives and the ways they push back.

Conclusion

In the coming decade, climate change will force "tens of millions of people . . . to leave their homes." Many of them will be coming from sub-Saharan Africa. When I stayed with Leonida and David, they told me that the seasons were becoming less predictable and droughts more common. Farmers are already experiencing growing precarity, but a much more dangerous future still lies ahead.

As that future unfolds in the coming years, countries that have grown rich off the spoils of colonialism and the enslaved labor of Africans will have to confront their history. Philanthropists have presented one idea for how to resolve this inequity. They enrich Western businesses and universities and throw basic tools—and debt—at poor people and tell them to work it out for themselves.

Already the idea is failing. At the NGO I worked for, rigorous self-administered studies show that although hybrid seed and fertilizer do increase harvest sizes, these gains do not translate to appreciably reduced hunger or increased household spending. In seasons of drought, even the incremental gains made in favorable seasons are wiped out. The program could be called successful at the point of intervention, but there is certainly no feedback loop that follows.

People are turning their backs on the idea. Each year, 30 to 40 percent of farmers elect not to reenroll in the program.[9] Workers, both expat and local, pass through the organization with quick tenures, which has prompted the founder to appeal to them to stay. "Humanity's truly worthwhile accomplishments take decades to achieve," he wrote in a presentation. Given that climate action is on a timeline delineated in years, statements like these are tantamount to denialism. Unlike billionaires, peasant farmers do not have the luxury of waiting.

Philanthropy is not a solution to deepening economic inequality, but a symptom of it. Philanthropists were thrilled by the doors that swung open in the wake of the global financial crisis of '07. As government aid budgets contracted, eBay cofounder Jeff Skoll took to the stage

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[9] Quality of Life Study in Kenya and Rwanda: Year 2 Results, page 3

of his eponymous World Forum and announced, “You are a keystone species in the social change architecture . . . A crisis is a terrible thing to waste.”[10]

There are ways for Western workers to show solidarity with Africans, but they don’t involve assumptions about who is a “keystone species,” never mind who needs “civilizing.” Perhaps the most crucial action to take is to reduce carbon emissions in order to prevent as much as possible the sort of damage that will force people to starve or flee their homes. As for those that do need to flee, they should expect open borders and compassionate support from their Western neighbors. After all, it is rich countries who are forcing them to move.

Philanthropically funded NGOs provide fertile ground for internationalist solidarity with aid workers. One Ugandan office worker I spoke to complained of being brushed aside by his expat managers after raising concerns about his department’s data reporting practices. “They wanted me to just keep quiet,” he said.[11] In the private development industry and elsewhere, African workers are speaking quite forcefully. They are just not being heard.

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[10] McGoey, Linsey. No Such Thing as a Free Gift: The Gates Foundation and the Price of Philanthropy (Kindle Locations 1440-1441). Verso Books. Kindle Edition.

[11] Raymond