



A part of the solution?

Although philanthropy comes under much criticism, it has a role to play in driving development, write **Sello Hatang** and **Khalil Goga**

Microsoft founder Bill Gates will deliver the Nelson Mandela Foundation's 14th Annual Lecture on July 17. Each year, prominent leaders in their fields are invited to drive debates on social issues, and the theme for this year's lecture is "living together".

As we navigate an increasingly fractious world divided by race, class, religion and opportunity, at the core of much of the discontent in South Africa has been rampant inequality in our economic system. Over the past few years, one of the Nelson Mandela Foundation's key priorities has been to use data-driven research, grass-roots knowledge and stakeholder dialogues to look far ways to reduce poverty and inequality, and to fundamentally shift unjust structures of power.

While more sustained solutions are driven through our dialogue and outreach programmes, as well as through partnerships such as the Mandela Initiative, the annual lecture is key in challenging and reframing our national discourse. This was evident last year, when the foundation welcomed French economist Thomas Piketty to deliver the annual lecture.

Piketty and Gates have been involved in various approaches to reducing poverty and inequality. While Piketty has advocated for a wide range of state-driven solutions, Gates has used his fortune and network to advocate for businesslike approaches to problems, and to inspire a culture, among the ultrawealthy, of giving.

The Bill & Melinda Gates Foundation is the largest philanthropic organisation in the world, reaching out to millions in need of healthcare, research, education and financial services. An example of the foundation's achievements over the years has been its involvement in reducing deaths caused by malaria by 60%, and almost eradicating polio. Other approaches include leveraging technology-driven solutions in providing the poor with savings and payment solutions, and supporting teacher education to build capacity for students entering tertiary institutions. These projects have changed millions of lives and have created platforms for people to progress without being reliant on aid.

But like many philanthropic organisations, the Bill & Melinda Gates Foundation is not without criticism, most notably for promoting genetically modified organisms in farming, having close ties with pharmaceutical companies, investment choices of its endowment, and that much of Gates' fortune was amassed through Microsoft against the "common good". The foundations also been accused of setting development agendas contrary to public interest, while some have questioned the foundation's accountability.

As state aid dries up, private philanthropic organisations have become more integral to poverty alleviation, thereby increasing the power of these organisations. The questions faced by the Nelson Mandela Foundation resonate across the globe. How do we effect positive changes to make people's lives better in an unequal and

Gates misfires pro-corporate 'silver bullets'

Patrick Bond



voices@citypress.co.za

In a recent book, *No Such Thing as a Free Gift*, Lindsey McCreay compares Bill Gates' \$45 billion (\$662.3 billion) philanthropic "ism" with what Ford Foundation president Darren Walker proposes as more appropriate for the 21st century.

As Walker puts it, "Fundations need to reject inherited, assumed, paternalist instincts – an impulse to put grant making rather than change making at the centre of our worldview...we need to interrogate the fundamental root causes of inequality, even, and especially, when it means that we ourselves will be implicated".

In contrast, Gates loves techy quick fixes – "silver bullets" – that often backfire in a context of extreme corporate influence and neoliberal policies, as Global Justice Now complains in a recent report.

Gates' power threatens food growing in part due to his advocacy for Monsanto's genetically modified organisms. The Gates-supported Alliance for a Green Revolution in Africa "advised and lobbied the governments of Ghana, Tanzania and Malawi, among others, to adopt pro-business seed and land policy reforms" according to a critique by progressive food-sovereignty nongovernmental organisation, Oakland Institute.

To address species-threatening climate change, Gates favours "next-generation" nuclear, a dangerous distraction from the urgent need

for renewable energy and to radically reduce fossil-fuel abuse.

Privatised health and education are Gates' speciality, but in India a Gates-funded trial on the genetic cancer-causing disease human papillomavirus was cancelled by government because thousands of young girls were victims of ethics violations such as forged consent forms and lack of health insurance. Seven of these girls died and the case is now in the country's Supreme Court.

In South Africa, the tech-like fascination is controversial. In Durban's peri-urban settlements, where Gates-backed "urine diversion" toilets, imposed by the municipality on nearly 100 000 poor households, are considered an inferior version of the bucket system.

The most damage here is Gates' reliance on incentives known as intellectual property (IP) rights. Long-term monopoly patents were granted not only to Gates for his Microsoft software, but for life-saving medicines. But IP was a barrier to millions of HIV-positive people who, thanks to the profiteering of pharmaceutical multinational, were denied medication because they cost R150 000 a year. With the Treatment Action Campaign instead demanding and finally winning a case to enable the production of generic drugs, the cost is negligible. Today, nearly 4 million people have access to generic antiretroviral drugs.

Gates amassed more than a fortune from IP (patent) limbo, acquired thanks to his anticompetitive practices, such as bundling the Windows operating system with Internet Explorer, according to US prosecutors. Today, Microsoft's software tax avoidance poses earn it more money than Gates gives annually in donations.

So it is a tragedy that, next Friday, Gates will get even richer in terms of the legitimacy bestowed on him by the Nelson Mandela Foundation in being invited to deliver its annual lecture. When looked at objectively, the world urgently needs less corporate power, more bottom-up strategies and more genuine wealth redistribution.

Bond is a professor of political economy at Wits

inferior system? How do we effect this change in a globalised world?

How do we develop solutions that include the state and society, and how do we make sure that those at the grass-roots level are included in development solutions? Most importantly, how do we fundamentally shift the structure of power to make the world more equal without causing irreparable harm due to our own hubris?

Philanthropic organisations and philanthropists such as Gates are not savours. Instead, they form part of a solution as they will be a part of society for many years to come. Solutions to the inequalities of our times must include the ultrawealthy, especially in the short term. We must also be cognisant of the immense successes philanthropic organisations have had in many of their projects.

Rather than bifurcating our endeavours along ideological lines, we need to find common solutions and goals. In "living together", we need not only listen but to critique, advocate and work together in creating a better tomorrow.

Hatang is CEO of the Nelson Mandela Foundation where Goga is a senior researcher

TALK TO US

Do you think philanthropic organisations and philanthropists have a role to play in effecting sustainable socioeconomic change?

SMS us on 35697 using the keyword GATES and tell us what you think. Please include your name and province. SMS cost P1.50 each